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CEI Foreign Ministers Discuss Yugoslav Crisis

LD1301213193 Budapest MTI in English 2003 GMT 13 Jan 93

[Text] Paris, January 13 (MTI)—In Paris, five foreign ministers from Central European Initiative (CEI) member states met at a working dinner on Wednesday [13 January] evening.

The CEI ministers, who are in Paris with foreign ministers from around the world to sign an international treaty on banning chemical weapons and who will meet French Foreign Minister Roland Dumas on Thursday, paid special attention to the crisis in former Yugoslavia.

Initiated by Geza Jeszenszky, who is acting CEI president and Hungary's foreign minister, the working dinner was also attended by Foreign Ministers Alois Mock of Austria, Zdenko Skrabalo of Croatia, Dmitrij Rupel of Slovenia, and Krzysztof Skubiszewski of Poland.

Jeszenszky said the ministers surveyed events in foreign affairs since their visit to Washington before Christmas. They primarily discussed the South Slav crisis, which would also be at the centre of talks with Dumas.

"As the foreign ministers of Central European countries, we wish to inform our international counterparts of the positions of countries that are located in the region and that have direct experience of the crisis. Earlier, Washington welcomed this with great interest and understanding. I think we can expect the same from our partners here," Jeszenszky said.

"The point is, not only that neighbouring, or almost neighbouring, countries have a special interest in peace, but that Central Europe is an important region and we wish to ensure that the world understands this.

"Our talks prove again that we have identical or almost identical approaches to many issues. When we speak about the Bosnian and the Yugoslav situation, our position is the same as that of all peaceloving peoples of the world, however we also see many things from close up and we understand the past and so have an important message to the European Community," Jeszenszky said.

Hungarian Foreign Minister Geza Jeszenszky said, "CEI countries are not about to make concrete proposals for settling the Yugoslavian crisis as it would be difficult to come up with new ones. We should find a way to take those who have promised peace many times at their word. As a result of the conference in Geneva, we now have a glimmer of hope that the recommended settlement will be accepted.

"In any case, the resolutions of the London conference should be implemented. Preventing bloodshed and an escalation of the conflict is a common interest. The proposed agreement is, in any case, better than the current situation as it offers statehood, a future and peace to Bosnia."

Commenting on Czech Prime Minister Vaclav Klaus's recent statement in "LE FIGARO" that the Czech Republic was no longer interested in the Visegrad Cooperation (originally comprising Czechoslovakia, Poland and Hungary), Jeszenszky noted: "In Budapest, Klaus said the Czech Republic would advocate bilateral cooperation with Hungary, Poland and Slovakia. With this we would virtually be at Visegrad."

"The Visegrad countries have attained their chief aim. They have signed association agreements with the European Community. And, they can continue their internal cooperation in various frameworks," Jeszenszky said.

On the recent lightening visits of Roland Dumas to Bucharest and Bratislava, Jeszenszky said that Hungary welcomed efforts by France if it could exercise influence on the policies of these countries. It was a natural thing that Paris should develop good relations with all countries in the region and pursue an active foreign policy, he said.

Ministers Sign Welfare Benefits Document

AU1201142193 Prague CTK in English 2013 GMT 8 Jan 93

[Text] Bratislava Jan 8 (CTK)—The Czech and Slovak ministers of labour and social affairs, Jindrich Vodicka and Olga Keltosova, in Bratislava today signed an operational document on the implementation of the treaties between the two republics on social security and mutual employment of citizens.

In case of the Czech and Slovak common currency's division, the two republics' social payments will be settled under a Czech-Slovak payments accord, Vodicka told a press conference following the ministerial meeting.

The Slovak citizens, employed in the Czech Republic, who would lose their jobs, will be provided with unemployment benefits by the republic in which their employer is based, Keltosova said.

Croatian Assembly Delegation Arrives in Tirana

LD1301211593 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 13 Jan 93

[Text] A delegation of the Croatian Assembly headed by Assembly Speaker Stjepan Mesic arrived in Tirana this morning. Stjepan Mesic had talks with Albanian Assembly Speaker Pjeter Arbnori. Their talks focused on relations between the two countries and the situation in the entire region.

Arbnori said there are great possibilities for better cooperation between Albania and Croatia, and added that Serbia's policies are increasingly becoming an element of instability in this area.

Croatian Assembly Speaker Stjepan Mesic said a totalitarian regime was established in Serbia when Milosevic came to power. The regime has been against everything that is not Serbian. That was first felt by ethnic Albanians, Croats, and Muslims. If a conflict in Kosovo is not prevented, Mesic said, it could have serious consequences because of heavy Serbian Army presence in Kosovo.

Velayati, Deputy Premier Discuss Kosovo, Others

LD1201113993 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1030 GMT 12 Jan 93

[Text] Albania's deputy prime minister, noted at a meeting with 'Ali Akbar Velayati, our country's foreign minister, the difficulties facing Albanians who live in Kosovo and emphasized the need for international forums to try to solve this problem. Albania's deputy prime minster thanked the people and Government of Iran for assisting the Muslim people of Bosnia-Hercegovina. He expressed regret at the crimes committed by the Serbs and the neglect shown for the rights of the Albanians of Kosovo. He also expressed delight at Iran and Albania's cooperation in the economic field. For his part, Mr. Velayati emphasized that the Islamic Republic of Iran will continue its efforts to bring to an end the crisis of Bosnia-Hercegovina. He said that Iran is prepared to expand bilateral relations and cooperate in the technical field with Albania.

Relations Viewed

AU1301160893 Tirana ATA in English 0911 GMT 13 Jan 93

[Text] Tirana, January 13 (ATA)—On January 12, the President of the Republic Sali Berisha received the Iranian Foreign Minister Velayati. They spoke on the consolidation of the relations between the two countries and the materialization of cooperation in several fields such as oil, fishing, etc.

In regard to the crisis in the region, President Berisha voiced the stand of the Albanian party. The chief of the Iranian diplomacy expressed the same stand.

On the same day, the Iranian foreign minister received also the Chairman of the Presidency of the People's Assembly Pjeter Arbnori. During the meeting, Mr. Arbnori valued the traditions of the Iranian people in the field of culture and arts. Now that our country has embarked on the road of democracy, we are establishing relations with all Western and Eastern countries, Mr. Arbnori pointed out. The geographical position of Albania creates possibilities for the creation of friendly and peaceful relations among the peoples.

Speaking of the grave situations in some zones of the world, such as that of the Balkans, Mr. Arbnori said he hoped that the relations among the states, especially the big ones, be as good as possible, so that the spirit of understanding and dialogue prevail everywhere. This is the only way of how to avoid the wars which, he said, bring about only calamities to mankind and civilization created through thousand year efforts.

The Iranian Foreign Minister Velayati voiced the confidence for the consolidation of the traditional friendship between the two peoples.

Mr. Arbnori accepted the invitation to visit Iran that the Iranian minister of foreign affairs made to him in the name of the chairman of the Iranian parliament. In the context of relations between our parliaments, the exchange of experience and dialogue are very useful, Mr. Arbnori said.

Deputies View Several Bills, Presidential Decrees

AU1301170293 Tirana ATA in English 1113 GMT 13 Jan 93

[Text] Tirana, January 13 (ATA)—The People's Assembly started its proceedings on January 12 by examining the draft law on a change to the penal case of the Republic of Albania. The deputies were in favour of this change.

At the break of the first sitting, the meeting of the parliamentary Commission of Defence, Order, and National Information Service was held. The vice director of the police of order and the chairman of the Traffic Branch in the Ministry of Order reported. The members of the commission appreciated the work of the staff of the public order and traffic and the attained results and at the same time raised some problems for the improvement of the work in these sectors.

Further on, the People's Assembly examined the decree of the President of the Republic Sali Berisha on the donation of the studios to painters and sculptors.

Then, it started the discussion on the decree of the president on the control and liquidation of the value of the goods of state food aid, which continued in the afternoon. According to this decree, the private and state physical and juridical persons, who are charged to administrate and sell the goods of the state food aid, should liquidate in the set terms the value of these goods. The decree was adopted.

The Chairman of the Presidency of the People's Assembly Pjeter Arbnori said that at the meeting of January 12, the Presidency decided to submit to the Assembly the draft law on the innocence of the former political prisoners and the persecuted. The deputies agreed to include this draft law on the agenda.

In the last afternoon sitting, the deputies discussed the draft law on the seeds and saplings, which was adopted. The People's Assembly will continue proceedings on January 13 before noon.

Agricultural Reform Needs Special Assistance

AU1301170693 Tirana ATA in English 1122 GMT 13 Jan 93

[Text] Tirana, January 13 (ATA)—Reformation of the Albanian agriculture to the market economy has made necessary, among the other things, the technical assistance by the specialists. There are 350,000 private economies, which are expected to reach to around 430,000 owing to the restructuring and privatization of the state farms. They are involved in small farm production with a very poor inventory of means. Above all they lack the technical assistance of the specialists.

Albania has a strong potential of specialists of agriculture, who are not yet seriously involved in work during this transition period. The Ministry of Agriculture and Food will provide technical assistance very soon to 314 communes. Initially one specialist will have to look after 1,100 small private owners. To attain this, relations have been intensified with the respective European organisms and particular states with a developed agriculture. Seminars and other activities are conducted, which contribute to the theoretical and practical training and this will extend bit by bit to the grass root.

Article Urges Need for Constitution

AU1301201693 Tirana ZERI I POPULLIT in Albanian 7 Jan 93 p 2

[Article by Luan Rama: "1993: Albania—A State Without Constitution?!..."]

[Text] The year 1993 finds Albania without a constitution. It is really paradoxical for a country in the heart of Europe and in the wave of democratic developments to be found at the end of the 20th century without its basic law, without that law that sanctions the physiognomy of a state.

As if this great need is not enough, the problem becomes more alarming when you feel that no one from the parliamentarians, even the president of the republic himself, knows when the constitution will be approved. It is for two years now we have been saying that we are building democracy and the law-governed state. However, only those who tell lies can tell how a democratic law-governed state can be built without a constitution. It is true that many laws have been approved and amended, but this does not constitute an argument to say that we are building a law-governed state. This does not mean that we are building a state with European physiognomy. The premature interview with the justice minister, broadcast in the television program "The Autopsy of Dictatorship," speaks in favor of this logic, in which he justly declared that we should re-examine many laws.

We accept that we are going through a transition phase, whose duration no one is able to define. The right and precise orientation of the whole course of the democratic processes is necessary and vital for the destiny of the country and democracy. This cannot be achieved without a constitution. However, as it seems to be, the course of the processes will determine the constitution itself, and after several years we would have to change it again.

It is said that the basic rights and freedoms of the individual are sanctioned and respected in Albania. In which law are they defined? Who believes words?

The fundamental principles of the basic human rights are constitutional principles. That is why the democratic countries have them defined in their constitutions, whereas we sit and devise parliamentary sessions.

The economic and political reform requires a legal support. Our parliament continues to endorse laws by preferring a constitutional package with partial laws, whose majority is violated by the parliamentarians themselves.

Foreign investments are required. The development of the market economy is required. However, all businessmen, investors, and even the politicians who come to Albania return to their countries with fear and uncertainty to invest in a country that has no constitution.

A commission to draft the constitution has been created, but it has convened two or three times as reported by the state information organs. What has this commission done? What has it decided?...

Every delay in approving the constitution is an unforgivable one, with consequences for democracy itself. It is a delay that weighs on the future of Albania. The constitution should not only be approved as soon as possible, but it should by all means be subject to a broad nationwide judgment in which specialists and lawyers should be at the head. Their silence is unforgivable. The parliament is in fact the one to approve the constitution, but it should approve a constitution that embodies the most progressive Albanian thinking. That is why those parts that have been completed, those projects that have been finished, and those models that have been loaned or translated should be publicized and undergo a broad discussion in the press, radio, and television in public places, etc.

The beginning of 1993 found us with no constitution. Will its end find us again without it?...

Alia, Former Officials Subpoenaed at Hoxha's Trial

AU1301155893 Tirana ATA in English 1115 GMT 13 Jan 93

[Text] Tirana, January 13 (ATA)—In the opening sitting of the trial of Nexhmije Hoxha and Kino Buxheli, the presiding judge Muharrem Kushi read the list of the witnesses to be questioned during that process. The name of the former communist president Ramiz Alia was not in the list, although the indictment mentioned him. The defendant Nexhmije Hoxha referred to him in her plea more than once.

The ATA reporter asked the prosecutor of the case on this matter. He said that at my request, the trial jury has decided to summon Ramiz Alia to witness some problems the defendant Nexhmije Hoxha has raised. He confirmed that Ex-Premier Adil Carcani, the Vice Premier Manush Myftiu, and many ex-party and state high officials will witness to the court.

The procedures of the trial are going on with the witnesses who have previously worked in the Reception's Department and the Ministry of Foreign Trade.

Alia Testifies, Vows 'Friendship'

AU1301160093 Paris AFP in English 1352 GMT 13 Jan 93

[Excerpt] Tirana, Jan 13 (AFP) - Former communist leader Ramiz Alia touched off a roar of laughter at the corruption trial of dictator Enver Hoxha's widow Wednesday [13 January] when he vowed his friendship for her and defended the Hoxhas' life of luxury.

Alia was one of three former communist officials, along with imprisoned former interior minister Hekuran Isai and former politburo member Manush Myftiu, who gave testimony on the fifth day of the trial of Nexhmije Hoxha, 72.

It is the first major court case involving a figure in the former regime since the communists were ousted in democratic elections last March.

Neither Alia, under house arrest in Tirana since September, nor Isai contested the charges that the Hoxhas lived well at the state's expense, even after the death of Hoxha in 1985 after his tight-fisted, 40-year rule. Instead, both justified the luxury, with Alia, 66, saying they "deserved to be treated well because of Hoxha's great historical statue." [sentence as received]

With a conviction bordering on arrogance, Alia told the court he was "the comrade of Nexhmije and she is my comrade," sending the audience laughing when he vowed support for the man now seen here as a bloody dictator. Alia, former party chief and head of state until last March, was Hoxha's right-hand man and in charge of the service that handled the Hoxha's personal needs.

Nexhmije is on trial with codefendant Kino Buxheli, 39, formerly in charge of allocating resources to party cadres. They face anywhere from eight years in prison to the death sentence if charged. Both have pleaded not-guilty.

Prosecutor Teodor Mosko charged late Tuesday that this included spending $24,000 to buy condoms and drugs to treat impotency. [passage omitted]

Hunger Strike Continues in Shkoder

AU1301170893 Tirana ATA in English 1131 GMT 13 Jan 93

[Text] Tirana, January 13 (ATA)—On January 12, too, the group of former political prisoners of Shkoder District continued their hunger strike. Among them is also a youngster, former political prisoner from Tirana, and another from Peshkopi. They said they have joined their friends in the fight against communism. The health state of the 50 strikers is generally good. Until January 12, they have not asked any medical aid.

The hunger strikers reiterated their economic demands. First of all they do not accept that their economic compensation be given by the incomes of the Albanian working people, who are facing economic hardships. They demand that this compensation should be provided by the aid of firms inside and outside Albania and by the aid the Albanian state will ask from international organizations for the former political prisoners.

Ali Kazazi, chairman of the Shkoder District Council, met with the strikers on January 11 in the evening. Ali Spahia, chairman of the parliamentary group of the Democratic Party, also met them. Then, Tanush Frasheri, deputy minister of labour, emigration, social assistance, and the political persecuted, had a meeting with the strikers.

The Branch of the Former Political Prisoners and the Persecuted of Shkoder District has not yet voiced its opinion on the hunger strike. Its chairman Refik Bushati said that the meeting of the presidency of the branch of the association will be held to adopt its attitude to the strike.

Officials Against Intervention in Yugoslavia

AU1301165993 Sofia OTECHESTVEN VESTNIK in Bulgarian 8 Jan 93 p 3

[Interview with Nikolay Slatinski, chairman of the Parliamentary Commission on National Security; Dimitur Yonchev, National Assembly deputy of the Bulgarian Socialist Party; and Valentin Aleksandrov, minister of defense, by unidentified OTECHESTVEN VESTNIK reporter; place and date not given: "Bulgaria Has Only One Trump" under the rubric: "Subject of the Week"]

[Text] [OTECHESTVEN VESTNIK] Is it possible that the Balkan war will be extended to Macedonia and Bulgaria?

[Slatinski] According to my information, the aggressive intentions of the Serbs (namely the use of military force) are not directed against Bulgaria. They have other targets. I am obliged to point out that the Serbian cause does not extend to the conquest of territories that definitely belong to foreign states. The Serbs are fighting for territories inhabited by a Serbian ethnic population. If there should be a danger for Bulgaria it stems from the possible flood of refugees that might invade us.

As far as Macedonia is concerned, its territory is not likely to be attacked, because its territory is not part of the Serbian doctrine on national integration, while the Serbs themselves hardly have the potential to further extend the conflict.

According to the information of certain special services, Serbia does not regard its former southern republic as a target of invasion for the time being. Macedonia is rather likely to face problems with its ethnic minorities. The Albanians are currently causing the greatest unrest. The Serbs evidently realize that if a military conflict should erupt in Macedonia as well, the still hesitating Western powers are likely to authorize military operations by NATO armed forces under the UN flag.

[OTECHESTVEN VESTNIK] In this connection we would like to ask the following question that deeply concerns our public: In case things escalate to the point that makes Western military intervention in Yugoslavia necessary, is it possible that our country may be involved?

[Slatinski] We have always advocated a peaceful settlement of the Yugoslav crisis, in the first place. However, we already declared that we would not participate in an intervention of NATO forces under the UN flag, should it become necessary.

[Yonchev] Not only should we not participate in such an armed conflict under any circumstances, but we should persuade the other Balkan countries that the involvement of their armed forces in NATO operations on Yugoslav territory would be a mistake. Naturally, a further question arises, namely whether our Armed Forces are ready to resist a possible aggression against our country on the part of Serbia.

[Aleksandrov] Yes, they are prepared! Nevertheless, Bulgaria is not threatened by any military danger whatever at this stage!

[Slatinski] Our military doctrine is a defensive one. We do not possess the necessary potential to provide military assistance to other countries. It should be known that the only case in which our troops could be forced to fight on Balkan territory would be if Bulgaria should be attacked. Our Army has only restraining functions, for the time being. We are not in a position to respond to a powerful attack from all sides.

[OTECHESTVEN VESTNIK] Whether a military intervention by Western states under the UN flag can be expected in Bosnia-Hercegovina—this question can only be answered after the final results of the Geneva negotiations are published. The politicians of the Bulgarian National Assembly promise to do everything within their power to prevent our country getting involved in a military conflict. Bulgarian policy will actively contribute to preventing all other Balkan states getting involved in military operations on Yugoslav territory. We are convinced that this is the only trump that will increase Bulgaria's prestige as a center of stability and peace in the Balkans in the eyes of the world.

IMF Experts Arrive To Discuss Loan Arrangement

AU1301195993 Sofia BTA in English 1822 GMT 13 Jan 93

[Text] Sofia, January 13 (BTA)—Experts of the IMF mission arrived in Sofia today. Tomorrow they are scheduled to start talks with National Bank and government officials on the state of the Bulgarian economy and a possible one-year stand-by arrangement with the Fund. Until the arrival tomorrow evening of the mission leader, Mr. Annoup Singh, the experts will hold preliminary talks at the central bank and the Ministry of Finance. The mission will remain in Sofia until January 22.

Bulgaria joined the IMF on September 26, 1990, and in February 1991 borrowed 87 million dollars from the Fund's compensatory and contingency financing facility to meet its increased expenses on oil imports. In March 1991 the Fund lent Bulgaria 500 million dollars to support its economic reform, and the stand-by credit arrangement was 503 million dollars. The Bulgarian quota in the IMF is about 446 million dollars. On April 17, 1992, the deadline set by the IMF for a liberalization of prices in Bulgaria, the fund committed a new SBA [stand-by arrangement] amounting to 218 million dollars.

At the forthcoming talks the sides will probably consider the possibility of the IMF revising its requirement that Bulgaria's budget deficit do not exceed 5.8 per cent of its GDP [gross domestic product]. New Finance Minister Stoyan Aleksandrov said Prof. Lyuben Berov's cabinet was planning to propose an increase of the budget deficit. At talks held late last year the Bulgarian delegation failed to persuade the IMF to relent and agree to a higher deficit level. Interviewed on Radio Free Europe on January 11, Deputy Finance Minister Svetoslav Gavriyski said that he did not expect the Fund's mission to change its stand during this visit.

Finance Minister Comments on Talks

AU1401121793 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 14 Jan 93

[Report by Maria Tsankova from Council of Ministers headquarters in Sofia—live]

[Excerpt] I have never said that Bulgaria intends to leave the International Monetary Fund [IMF], Finance Minister Stoyan Aleksandrov declared at the cabinet Press Center today.

In his extensive statement to the media we detected escalating criticism against us reporters for the way we comment on facts. Nevertheless, I must point out that we are interested in facts above all.

Mr. Stoyan Aleksandrov went on to say: Before they leave, the members of the IMF delegation will decide on our future relations. We shall not take the initiative on our relations; however, we do not intend to accept extremely disadvantageous conditions. It may be that during the process of the talks we may decide not to sign an agreement for 1993 or a three-year agreement. However, I am quite certain that the IMF experts will show some understanding for our difficulties.

For the time being several additional factors should be assessed, Minister Aleksandrov said. Our budget is currently confronted with additional burdens. He mentioned problems such as the request of the Union of the Repressed for a three-fold or even four-fold increase in compensation, the need to clear up bad credits, and the obligations stemming from the settlement of foreign debts.

The current demands of the creditor banks are considerably more stringent than they were in the past. I do not wish to dwell on the reasons for this, the minister said. However, the creditor banks have not even scheduled a meeting with us on the problem of the foreign debt.

We shall provide further details on the finance minister's extensive statement in later newscasts. [passage omitted]

Experts Arrive To Discuss Aid for Nuclear Plant

AU1201201893 Sofia BTA in English 1706 GMT 12 Jan 93

[Text] Sofia, January 12 (BTA)—G-24 experts arrive in Sofia today and tomorrow to take part in a meeting of the working group on coordination of foreign aid to the Kozloduy Nuclear Power Plant due to be held at the N-plant on January 14 and 15. The experts represent the International Atomic Energy Agency (IAEA), the European Bank for Reconstruction and Development, the European Investment Bank, the EC Commission, and governmental organizations of donor countries. The working group will elect two co-chairmen, one Bulgarian and one representative of donor countries.

According to the Power Engineering Committee, the meeting will discuss the studies under way and present reports to the EC board in charge of aid to the N-plant.

The Power Engineering Committee today received the tender dossiers of five U.S. companies, which will bid for a contract to improve heat power supply facilities in Sofia and Pernik, the Power Engineering Committee told BTA.

The U.S. Governmental Trade and Development Agency has granted 650,000 dollars to fund the project.

The bidders should submit detailed offers within forty-five days.

The major contractor should be an U.S. company. It may recruit Bulgarian subcontractors, whose share should not exceed 20 percent.

Zhelev, Defense Minister Meet Euromil Officials

AU1301201893 Sofia BTA in English 1938 GMT 13 Jan 93

[Text] Sofia, January 13 (BTA)—President Zhelyu Zhelev today received the president of the European Organization of Military Associations (Euromil) Colonel Jens Roetboel. The Bulgarian president accepted Colonel Roetboel's invitation that the Euromil spring session, due to be held in Sofia, be under his patronage. At the meeting today President Zhelev voiced Bulgaria's concern over the conflict in the former Yugoslavia.

The Euromil delegation is visiting Bulgaria at the invitation of the Rakovski Bulgarian Officers Legion.

National Assembly Chairman Aleksandur Yordanov also received the Euromil delegation. Its members expressed satisfaction with the Bulgarian state institutions' concern over the problems of Bulgarian servicemen. Euromil chief Colonel Roetboel handed the head of parliament documents of the Council of Europe and Euromil concerning the social status of servicemen.

Colonel Roetboel and Euromil Secretary General Guido Dalemann today conferred with Defence Minister Valentin Aleksandrov and the Chief of General Staff of the Bulgarian Army Colonel General Lyuben Petrov. Colonel Roetboel said he was pleased with the operation of the Rakovski Bulgarian Officers Legion, which is affiliated to Euromil, the Government Press Office said. Colonel Roetboel said he would familiarize the foreign minister of Denmark, which holds the EC presidency, with the losses which Bulgaria sustains from the embargo against the former Yugoslavia and will suggest compensation.

Parliament To Convene on Lilov Immunity Case

AU1201215293 Sofia BTA in English 1944 GMT 12 Jan 93

[Report by Evgeniya Drumeva]

[Text] Sofia, January 12 (BTA)—The Socialists reacted strongly against the request of Prosecutor General Ivan Tatarchev to strip of MP's [member of parliament] immunity Aleksandur Lilov, former leader of the Bulgarian Socialist (ex-Communist) Party (BSP). The prosecutor general intends to institute criminal proceedings against Lilov on charges of squandering funds from the budget and giving them in grant-aid to Third World countries, mostly with pro-communist regimes.

More than 50 MP's of the BSP submitted a petition to parliament today, insisting that an extraordinary sitting be held tomorrow. Parliament is in recess until January 20.

National Assembly Chairman Aleksandur Yordanov told the press he would convene an extraordinary plenary sitting early next week. According to him, the question of Mr. Lilov's MP's immunity and the permission for house arrest requested by the prosecutor general should not be decided in a hurry and in the absence of Mr. Tatarchev, who is abroad. According to the rules of procedure, in case the Prosecutor's Office files a request when parliament is not in session, the National Assembly chairman may give permission to institute criminal proceedings. Later this evening Mr. Yordanov said he would convoke parliament on January 13 and scheduled an extraordinary plenary sitting for Tuesday, January 19, at 9 AM. He took part in the "Repercussions" TV programme and explained his decision quoting the rules of procedure and the petition filed by 51 MP's in connection with the prosecutor general's request for criminal proceedings against an MP.

This morning the BSP top leadership met to discuss "the Lilov case." After the meeting, BSP spokesman Nikolay Kamov told the press that the Socialists believe the prosecutor general is "sabotaging and trying to destabilize parliament's work." According to them, his actions are also "targeted on the cabinet headed by Lyuben Berov." Nikolay Kamov described the request as "an unlawful political act." BSP leader Zhan Videnov said that unless the incumbent prosecutor general changes his policy, he will have to be replaced.

Members of the Radical Social Democracy Alliance, affiliated to the BSP, which is often said to be in conflict with the "hardliners" led by Aleksandur Lilov, stated today there were no differences on "the Lilov case."

The other two parliamentary forces—the Union of Democratic Forces and the Movement for Rights and Freedoms—have not made official statements on the prosecutor general's request yet.

BSP: Lilov Prosecution Illegal

AU1301135093 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 13 Jan 93

[Text] An extraordinary meeting of the Bulgarian Socialist Party [BSP] parliamentary faction took place today at the National Assembly. The faction's attitude toward the demand of the chief prosecutor to strip Aleksandur Lilov of his parliamentary immunity was discussed. Nina Spasova reports.

[Spasova] The BSP parliamentary faction confirmed its decision to vote categorically against the demand of the chief prosecutor. The Socialists will insist that the 19 January National Assembly session adopt a decision on this matter without any postponement.

Aleksandur Lilov thinks that establishing a commission of inquiry on his case is inappropriate and declared that he is prepared to accept the risk of holding a vote at the National Assembly.

Mrs. Nora Ananieva also stated categorically that there is no need to establish a commission of inquiry. According to the BSP jurists, the demand of the chief prosecutor is incorrect from a legal point of view, because Lilov is implicated in Case No. 3, whose term of validity has already expired.

[Begin Ananieva recording] This is a crude violation of the law, because according to the principles of the Penal Procedure Code, when the term of validity of a certain investigation expires it can by no means be extended and no additional people may be implicated in it. The term, as you know very well, expired on 9 January. Thus the demand is inappropriate and the question arises as to whether the National Assembly should deal with it at all. This is a matter for our legal experts. [end recording]

[Spasova] The working groups of the BSP parliamentary faction will prepare a draft decision by Monday [18 January] on a National Assembly declaration, which will include a demand for the resignation of Chief Prosecutor Ivan Tatarchev.

Yesterday, Elena Poptodorova sent a message to the general secretary of the Interparliamentary Union, in which she informs him about the case and stresses that the tendency to conduct political trials in Bulgaria is continuing.

Filip Bokov, who is in Paris at present, must acquaint the Parliamentary Assembly general secretary with the case and convey the opinion of the BSP that the case is a violation of human rights.

Assembly Groups Take Stands

AU1301175393 Sofia BTA in English 1703 GMT 13 Jan 93

[Excerpts] Sofia, January 13 (BTA)—National Assembly Chairman Aleksandur Yordanov scheduled an extraordinary sitting of parliament for January 19, a day before the end of the parliamentary recess. The extraordinary sitting is occasioned by Prosecutor General Ivan Tatarchev's request that Mr. Aleksandur Lilov, former leader of the Bulgarian Socialist (ex-Communist) Party [BSP], be stripped of his MP's [member of parliament] immunity. [passage omitted]

Mr. Aleksandur Yordanov told a news conference today that he was ready to grant the prosecutor general's request. He, however, added that the petition submitted by BSP members obliged him to convene an extraordinary plenary sitting to consider this matter.

Mr. Aleksandur Yordanov called on the Socialists and Mr. Aleksandur Lilov himself to vote in favour of the prosecutor general's request so that Mr. Lilov's innocence could be proved in court. [passage omitted]

Mr. Osman Oktay MP of the Movement for Rights and Freedoms today declared himself in favour of a commission of inquiry which should submit a report to parliament. Although the movement has yet to take an on-the-record stand on the matter, Mr. Oktay expressed the view that a formula should be found to prevent the politicization of such cases. In all three parliamentary factions there are advocates of the idea to reconsider parliament's rules of procedure and provide more substantial guarantees of the MP's immunity, he said.

Although the Socialists said that the prosecutor general was "acting on political orders from the National Coordinating Council of the Union of Democratic Forces (SDS)," it is still unclear whether the parliamentary SDS will vote unanimously against Aleksandur Lilov. The deepening differences and the rift within the SDS make it uncertain whether some SDS MP's would still vote against the demand to strip Mr. Lilov of his parliamentary immunity.

DPS Supports Inquiry Commission

AU1301140093 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 13 Jan 93

[Text] Mr. Osman Oktay said that he welcomes the decision of Mr. Aleksandur Yordanov to convene a parliamentary session to give National Assembly members an opportunity to express their views on the demand to strip Aleksandur Lilov of his parliamentary immunity.

According to Mr. Oktay, the parliamentary faction of the Movement for Rights and Freedoms [DPS] will probably work out its position on Monday [18 January], but the fundamental position of the DPS is that it is appropriate and necessary to establish a commission of inquiry. Osman Oktay also said that it is obvious and logical to amend the National Assembly regulations on stripping its members of immunity.

[Begin Oktay recording] There is a common view of National Assembly members of all three factions to resolve this issue in principle to prevent abuse of the status of any inconvenient National Assembly member in certain political situations. I do not know whether there already is a draft decision, but the idea is always to establish a commission of inquiry in such cases, which will submit an opinion to the National Assembly prior to adopting any decision. [end recording]

Interior Minister Views Recent Ministry Changes

AU1401084693 Sofia DUMA in Bulgarian 8 Jan 93 pp 1, 2

[Interview with Viktor Mikhaylov, internal affairs minister, by Vacho Radulov; on 7 January in Sofia: "Professionalism in Ministry of Internal Affairs Must Be Protected"]

[Text] With the new decree on service in the Internal Affairs Ministry, issued on 7 January, Internal Affairs Minister Viktor Mikhaylov curbed his own prerogatives in the name of democracy, as he put it. The decree cancels the previous instruction on personnel policy, which reportedly contradicted the Law on the Ministry of Internal Affairs and turned the minister into a unique autocrat. Now the chiefs of the Interior Ministry's national and central services can pursue a personnel policy that serves the interest of professionalism, rather than the interests of a political force. The elimination of this totalitarian pitfall was discussed at the 7 January meeting of the Interior Ministry's Council on Security and Public Order, after which Minister Mikhaylov answered questions from a DUMA reporter.

[Radulov] Minister, your predecessor left with the conviction that he was the first and last fighter against communism and totalitarianism in the Internal Affairs Ministry, but it appears that he also left something for you.

[Mikhaylov] Even today the Internal Affairs Ministry remains a totalitarian centralized structure. The regional director, responsible solely to the minister, finds himself in the same position as that officer of State Security who before 10 November 1989 was in charge of the police, security, and the fire brigade in his okrug, and served the interests of a single political force. Consequently, the chiefs of the central and national services of the Internal Affairs Ministry could not protect the professionalism, as far as there still was any, in the ministry's structures. Under the conditions of a multiparty political system it was absurd that the oblast administrators and coordinating councils could appoint their cadres through the regional directors and their only chief—the minister.

[Radulov] As the director of the National Police, you were the first and only one who reacted against this situation.

[Mikhaylov] This is so and therefore I resigned. The role of a scarecrow does not become at all the director of the police.

[Radulov] Perhaps now we will have a better dialogue with the political forces. Some people see your proposal to replace Bogomil Bonev, the chief secretary of the Internal Affairs Ministry, as a sign of this intention.

[Mikhaylov] I was not proposed by a political force to the post of minister. Mr. Berov personally invited me. There is no secret plot in Bonev's case. All the political forces complained about eavesdropping and surveillance during the period the National Assembly was debating the new cabinet. It became a matter of public opinion and I had to take it into consideration. Naturally, I have no evidence, otherwise I would have fired Mr. Bonev, rather than offered him the post of secretary [sentence as published].

[Radulov] You maintain this position despite your declared friendship with Bonev and despite the fact that he was the one who proposed you for the post of National Police director?

[Mikhaylov] Of course. Friendship is one thing and work in the Internal Affairs Ministry—something completely different.

[Radulov] Did he accept the lower post in the service hierarchy?

[Mikhaylov] No, he resigned, and I accepted his resignation. The Council of Ministers will have the final say.

[Radulov] It appears that you have determined to conduct a personnel policy that does not depend on political forces.

[Mikhaylov] Yes, naturally, for as long as I remain minister. Throughout the world ministers leave their posts after a while, but professionals are kept in similar departments. The opposite situation creates precedents such as the one with the notorious Bogdan Krustev, who, thank God, I relieved of his post.

[Radulov] Do you not start with personnel storms, as Mr. Sokolov did?

[Mikhaylov] I correct misunderstandings that have been allowed. Many professionals were unscrupulously fired, and at the same time many amateurs came to the Internal Affairs Ministry. I do not like to fire people, but at least 10 people will have to go.

[Radulov] From the center or from the Regional Directorate of Internal Affairs?

[Mikhaylov] It is too early to tell. The people must be scrutinized carefully. Haste is inappropriate and I have still not made any decision as to the posts of National Police director and chief secretary of the Internal Affairs Ministry.

[Radulov] What is the first thing you want to achieve as a minister?

[Mikhaylov] I would like to eliminate the psychosis of insecurity among the employees. It is impossible to work in this manner. The fate of the professionals in the Internal Affairs Ministry must depend only on their work skills.

[Radulov] Is it logical to assume that you will return some of the professionals who have been driven away?

[Mikhaylov] It is imperative. We are sinking in crime. Some 202,000 crimes, 1,000 attempted and actual murders, 5,000 robberies, and 105,000 thefts have been registered. Only experienced employees can cope with this pressure.

[Radulov] Will they return in view of the present salaries and risks?

[Mikhaylov] It is true that salaries do not correspond to the risks. Last year there were 42 attacks against policemen, three employees were killed, and 11 injured. Only real professionals could demonstrate the ingenuity and courage needed for police work.

[Radulov] What else is disturbing the police?

[Mikhaylov] We are disturbed by the irregular legal basis. The Penal Code and the Penal-Procedure Code are very obsolete. There is no law on the police or on the National Security Service. Many internal departmental normative acts spent a lot of time in the drawers of the former leadership of the Internal Affairs Ministry. Generally, Bulgaria still does not have a clear penal-legal concept and policy. A special commission of the Council of Ministers is already working on this matter. It is impossible to continue the situation in which only 8,000 of the 56,000 criminals whose crimes have been proven are in prison, while the rest walk free.

[Radulov] Is it true that you are still a colonel?

[Mikhaylov] Two days before I became the minister, I was relieved of my previous post and rank through a presidential decree and at my own request.

[Radulov] People say that corruption reigns in the Internal Affairs Ministry.

[Mikhaylov] I would not say that corruption reigns, but some services succumb to temptation. If it becomes necessary, we will create a special service which will fight against this sickness, which is jeopardizing the health of the Internal Affairs Ministry.

Berov Meets Trade Union Leaders

AU1301082493 Sofia BTA in English 1939 GMT 12 Jan 93

[Text] Sofia, January 12 (BTA)—At their first meeting with Prime Minister Lyuben Berov today, leaders of the Confederation of Independent Trade Unions in Bulgaria (KNSB) discussed the operation of the social partnership system under the new Labour Code, trade union property issues and the new social welfare package.

Mr. Berov assured the trade union officials that cabinet will seek to make the social partnership system work and will discuss the partitioning of trade union property at one of its next meetings.

The prime minister agreed that Bulgarian experts can work out the social laws on the basis of existing drafts, without resorting to foreign aid. The cabinet will try to move the social security bill in parliament as early as in February, he said.

Meeting the press today, Dr. Konstantin Trenchev, leader of the other major trade union amalgamation, the Podkrepa Labour Confederation, said the cabinet's economic programme should give priority to sectors which have proved to be profitable. He said the cabinet should focus on the military industrial complex, farming, the tourist industry and on security and defence and work out a clear-cut policy on the crisis in the Balkans.

Future Cabinet-Trade Union Relations Viewed

AU1301145993 Sofia KONTINENT in Bulgarian 6 Jan 93 p 6

[Commentary by Genka Markova: "Dialogue Is Again Fashionable"]

[Text] The dialogue between the trade unions and the executive power in the last three years has undergone various developments. From a radical negation to clinical death with periodic reanimation, every cabinet has had its system of rediscovering the social partnership factor. The new cabinet inspires the hope that it has acquired the anesthetic for the reanimation surgery, which is scheduled to take place on 25 January. The fact that reviving the social dialogue is one of the new cabinet's first tasks testifies to the cabinet's European attitude toward the issue. It also implies a benevolent, albeit cautious, attitude on the part of the cabinet. It appears that this cabinet will not resort to secret or trench warfare against the trade unions.

For their part, the trade unions also promise to lay all their cards on the table. However, they are insisting on receiving guarantees from the government on redividing trade union property and adopting a precise statute for the decisions that will be adopted by a consultative body, such as the National Council on Social Partnership will be. The government will have a problem whose nature is more than merely technical, namely, to determine which trade unions and which employers will be invited to the negotiation table. For their part, the trade unions are prepared to make an especially constructive step, namely, to negotiate on revenue policy without demanding retroactive compensation. It appears that conducting a dialogue with the trade unions will again become fashionable.

Assembly Head Promises Legislative Continuity

AU1301165893 Sofia BTA in English 1546 GMT 13 Jan 93

[Text] Sofia, January 13 (BTA)—There will be legislative continuity despite the change of cabinet, National Assembly Chairman Aleksandur Yordanov told a news conference today. The list of top priority bills submitted by Prime Minister Lyuben Berov is good reason to think so, according to Mr. Yordanov. He signed a decision last night, calling parliament to session as from tomorrow and scheduling the first plenary sitting for Tuesday [19 January]. All the bills on this list have been submitted before parliament by the previous cabinet headed by Filip Dimitrov, Mr. Yordanov stressed. He was pleased that the bills drafted by Filip Dimitrov's cabinet would be submitted to the MP's [members of parliament] without any revisions.

Mr. Aleksandur Yordanov said parliament was expected to pass three groups of bills. The first group includes a package of laws on tax reform, a programme for the privatization of state-owned enterprises in 1993, a bill to amend the Interior Ministry Act, and a defence and Armed Forces bill. The second group includes 27 resolutions and bills such as: an insurance bill, an excise duty bill, a tax proceedings bill, a bill to ratify agreements rescheduling Bulgaria's foreign debt, a social assistance bill, etc. The third group includes five draft resolutions and bills on the structure of the judiciary, on construction, etc.

In connection with a statement made by the Bulgarian Socialist Party's [BSP] floor leader, Mrs. Nora Ananieva, that these laws corresponded to the BSP's legislative programme, Mr. Aleksandur Yordanov said that this proved the possibility that diverging interests could be harmonized in parliament.

SDS Daily Analyzes Fall of Dimitrov Government

AU1301195493 Sofia BTA in English 1829 GMT 13 Jan 93

[Excerpt] Sofia, January 13 (BTA)—The developments in the Union of Democratic Forces (SDS), the largest political force in parliament, have been constantly in the highlights of the Bulgarian mass media of late. Until recently the ruling political force, the SDS went into opposition when Prof. Lyuben Berov's cabinet was elected late last year, thanks to the majority formed by the Socialist MP's [members of parliament] and the parliamentary faction of the ethnic Turks' Movement for Rights and Freedoms (DPS), the SDS's former parliamentary ally.

A detailed extraordinary supplement to today's DEMOKRATSIYA, the SDS's daily, makes a review of the events that took place in 1992 analysing the reasons for the overthrow of the first democratically elected Bulgarian Government headed by SDS leader Filip Dimitrov. According to the analysis, which is headlined "Who Toppled the SDS Cabinet—the Truth About a National Treason," Filip Dimitrov's cabinet was toppled in result of a plot carried out by "dependent people without any will of their own who obeyed the orders of the powerful secret services of communism." It is stressed that the role of the secret services in the last couple of years was decisive in this aspect. "They only seemed to be disbanded or restructured while actually permeating Bulgaria's banking system, foreign trade and other spheres, building up a whole net," DEMOKRATSIYA writes.

Filip Dimitrov's cabinet was elected in November 1991 after the SDS won the parliamentary elections with a minimum lead (one percent) over the Socialist, former Communist, Party (BSP). A SDS-DPS majority was formed in parliament at first. The SDS government tendered its resignation in late October 1992 under strong pressure from the DPS, the Socialist MP's, the trade unions and the trade-union lobby in the SDS parliamentary faction.

Society has not yet learnt the whole truth about the 50-year-long communist destruction. The truth was veiled, thus giving the culprits for the national catastrophe a chance to become financial and industrial tycoons in two years' time instead of being morally indicted by history, the publication says. "The secret services of the communist regime had a very active and decisive role in this secret process." The authors recall one of the reasons for the overthrow of Filip Dimitrov's cabinet: the dispute between the SDS and the DPS over the control of the secret services.

The authors of the analysis believe that the real reason for the overthrow of the SDS government is that it became clear from the very beginning that "the cabinet would not be manipulated and forced into a puppet role, that its real task was the actual replacement of the system and not just imitating a change to disguise the substitution of the political power of the Communist Party by an economic one."

It is reminded that the first attacks against the SDS cabinet came from the Podkrepa Labour Confederation. Initially they were targeted against its economic team. Until the October 1991 general elections Podkrepa was affiliated to the SDS. Today's publication carries information about the shady deals concluded by the Podkrepa leaders and about the connections of some trade union leaders with private business groups whose capital is of dubious origin. One of the groups is the one headed by Valentin Mollov, leader of the union for private economic enterprise. He is said to have worked for the secret services at the time of the communist regime. The papers published by Mr. Mollov's 168 Chasa Press Group, which have declared themselves to be independent, were among the fiercest critics of the SDS cabinet.

The article reminds the sudden closeness between the two major trade union amalgamations—the Confederation of Independent Trade Unions in Bulgaria, successor to the former state-controlled trade union organization, and Podkrepa. It contains information about their connections with companies, important enterprises and private banks.

According to the publication, motivated by their strong but hidden economic interests, Dimitur Ludzhev, DPS leader Ahmed Dogan, Konstantin Trenchev and SDS MP Asen Michkovski, who is close to Podkrepa and chairs the Parliamentary Economic Committee (he shared in the drafting of the Privatization Act), are involved with companies like Jes Air which are engaged in the transfer of money outside this country. There are facts evidencing their connections with the so-called wine mafia that inflicted a loss of 600 million dollars on the state, their involvement in the armament deals of Multi International Holding and Teraton which are connected with the U.S. Matrix, their involvement in the oil business—the companies Elpida and Sunimex. Mr. Ludzhev was minister of defence until May last year when, at Filip Dimitrov's request, he was removed on charges of involvement in illegal armament transactions. He returned to parliament as an MP and set up a faction in the SDS parliamentary group. Mr. Dogan is said to have been the man who enforced the appointment of Dimitur Ludzhev as defence minister and of Stoyan Ganev as foreign minister in Mr. Dimitrov's cabinet.

Reviewing the events preceding the ousting of the SDS government headed by Filip Dimitrov, DEMOKRATSIYA stresses the numerous attempts made by the Socialists, formerly Communists, and the DPS to disunite the SDS parliamentary group and carry out a bloodless coup. [passage omitted]

Zhelev Denies Charges of 'Usurping Power'

AU1301171593 Sofia PODKREPA in Bulgarian 8 Jan 93 pp 1, 3

[Interview with President Zhelyu Zhelev by Penka Lazarova; place and date not given: "Compromise Is a Synonym for Politics in a Democratic Country"]

[Text] [Lazarova] How do you react to the accusation that the new government is a presidential one through which you are usurping power?

[Zhelev] Such claims are nothing but insinuations. The present government is a normal cabinet elected by parliament in accordance with the Constitution. The fact that the prime minister was one of my advisers is irrelevant. Unfortunately, it provides an opportunity for ill-intentioned politicians to concoct all sorts of slanders implying that the government is subordinate to the president and that I am taking advantage of it to gain control over executive power. Such allegations are not even worth disproving. I repeat that the government was elected by a parliamentary majority and that, apart from my constitutional rights, I have no influence at all on its work. A caretaker government is a presidential government. It is appointed by the president who is responsible for it. This is not the case with the present government, which parliament is responsible for.

[Lazarova] Are you optimistic about the new government, after it declared its intention to conduct a moderate policy in its future work?

[Zhelev] I greatly rely on the policy of moderation that Professor Berov has decided to pursue. Naturally, it is only a statement of intentions. The government has not yet done anything decisive that would allow us to judge it. In every normal country a new government is granted a traditional 100-day period of grace, after which its policy and style of work can be assessed. It is immoral to discuss the activities of a government before it has had time to show what it can do.

In this respect I regard the attitude of certain gentlemen who dismissed the new cabinet as a "Fatherland Front government" as extremely unethical. Prof. Berov is the last person to be suspected of such inclinations. We denounce the Fatherland Front precisely because it served as a camouflage, as an instrument of the Communist Party. It was under the cover of Fatherland Front governments that the Bulgarian Communist Party [BCP] built the totalitarian regime in Bulgaria. Such criminal and despicable behavior cannot be ascribed to a government that pledges to implement the Union of Democratic Forces [SDS] program, to promote privatization, to restore at least half of private ownership, and to complete the restitution process. Doesn't this mean dismantling the communist system, which is exactly the opposite of what the Fatherland Front government did?

[Lazarova] Is the SDS in power today? How would you describe the current political situation?

[Zhelev] The situation is rather complicated. To begin with we should examine the different levers on which the government relies, as it was repeatedly pointed out in the media: The government committed itself to implement the SDS policy, but was elected through the Rights and Freedoms Movement [DPS] mandate and with the majority of Bulgarian Socialist Party [BSP] votes. I am convinced that things are falling into place. The image of the new cabinet and the political forces' approach to it will depend on its activities during the first 100 days. The political forces in our country are also in a process of consolidation and of establishing positions. Hence, it is difficult for me to say whether the SDS is in power. Prof. Berov always supported the SDS and was even one of the right-wing radicals. He is one of the authors of the SDS platform. Accordingly, things seem to be gravitating toward the SDS. Unfortunately, the internal situation of the union is far from peaceful, which prevents it from exploiting its chance. It all depends on the future development of processes within the coalitions.

[Lazarova] Would you commit yourself to a forecast?

[Zhelev] It would be too risky.

[Lazarova] To what extent is the process of individual parties' and politicians' separation from the SDS likely to continue, in your view?

[Zhelev] This is a question you should ask the present SDS leaders, the members of the SDS Coordinating Council, or you had better ask the members of the group that is virtually in control of the Council. Nevertheless, I am convinced that these people should not continue to follow their wrong path. Neither the SDS, nor the country are likely to benefit from such policy in the long run. A policy of confrontation, of total unwillingness to compromise has no chance at all.

Such a policy cannot work miracles, as the experience of all other countries shows. Only a communist or a fascist can be totally uncompromising. Compromise is a synonym for politics in all democratic states. Naturally, I mean compromise based on common sense, a compromise that, after balancing various interests, leads to common understanding and to sensible settlements.

[Lazarova] What did the SDS lose as a result of its confrontation with the trade unions?

[Zhelev] It lost executive power. The confrontation with the trade unions was one of the reasons for the fall of Filip Dimitrov's cabinet. I am not trying to simplify things and I do not think that a government that represents executive power and bears complete responsibility for the country's destiny should obey the trade unions and be subject to them. Nevertheless permanent contact and dialogue with the trade unions are absolutely required, especially in times of crisis. Any government that engages in confrontation with the trade unions under such circumstances is doomed to failure.

SDS Leaders Seek To Settle Differences

AU1201215493 Sofia BTA in English 1801 GMT 12 Jan 93

[Text] Sofia, January 12 (BTA)—After the exchange of attacks between representatives of the biggest parliamentary force—the Union of Democratic Forces (SDS), the coalition's leaders today declared themselves in favour of unity. After a regular meeting of the SDS top leadership—the National Coordinating Council, leaders made statements showing that they seek to settle differences within the coalition, which became manifest after the ouster of the Filip Dimitrov cabinet and especially after the election of the cabinet headed by Prof. Lyuben Berov.

No one denied that there are internal contradictions.

Late last week Stoyan Ganev, leader of the United Christian Democratic Centre affiliated to the SDS and foreign minister in the SDS cabinet, charged that SDS leader Filip Dimitrov, head of the previous cabinet, was responsible for the union's fall from power. Other members of the SDS top leadership criticized him likewise. However, the National Coordinating Council unanimously decided that "it is unrealistic and untrue to say that the SDS has relinquished power."

According to the participants in the meeting, the question of Filip Dimitrov's resignation was not officially raised today, though Ventsislav Dimitrov of the United Christian Democratic Centre says in an interview for the press today that "Filip Dimitrov can no longer be leader of the SDS because he led it to its failure as a political organization."

Today's TRUD carries a report, according to which in an interview before his departure to the United States, Stoyan Ganev (who is president of the UN General Assembly) told a TRUD reporter that Filip Dimitrov was connected with the State Security in the past. Today the National Coordinating Council described Ganev's statement as "a gross violation of the union's ethics." The SDS leadership will ask Stoyan Ganev to furnish documentary evidence. A representative of the United Christian Democratic Centre told the press today that Mr. Ganev had not spoken on behalf of the party.

The Coordinating Council decided today to call a national conference—the coalition's supreme forum. The proposal was made by the United Christian Democratic Centre. However, the date of the conference was not fixed because the Coordinating Council decided that it should be preceded by regional conferences and forums of the individual SDS affiliates.

Bank Official Predicts No Easing of Inflation

AU1301133093 Sofia BTA in English 1217 GMT 13 Jan 93

[Text] Sofia, January 13 (BTA)—Inflation remained high in 1992. Gradual liberalization caused several price shocks, in between, inflation still was high, which shows that it has not been curbed, says the annual report on the state of the economy by the independent Agency for Economic Coordination and Development. According to the National Statistical Institute, inflation increased 79.5 percent from December 1991.

In a recent interview for Radio Free Europe, National Bank Governor Prof. Todor Vulchev confirmed that in 1992 inflation exceeded projections by some 20 percent. However, it is kept under control, he said. Financial stabilization is a very delicate area, we stood our ground but we will still be vulnerable in 1993, Prof. Vulchev said. He predicts that inflation will not drop in 1993 but will be kept under 100 percent.

Prime Minister Lyuben Berov and Finance Minister Stoyan Aleksandrov reiterated their projections that inflation will reach 70 to 80 percent in 1993. Circles close to the previous government headed by Filip Dimitrov are concerned about the possible effect on financial stabilization of the new cabinet's intention to raise the civil servants' salaries and pensions.

The cabinet will insist on an increase in the budget deficit. Todor Vulchev and Stoyan Aleksandrov said on national television last week they would try to convince the IMF of the need for this increase. In the interview for Radio Free Europe Mr. Vulchev declined to cite an exact figure but mentioned tentatively that the proposed deficit May be at least 7 percent of the GDP. In his view, a deficit cutback to 5 percent and lower inflation would entail "belt-tightening to the extreme," a collapse of the economy and of society as a whole.

Foreign Minister Approves Strike Against Iraq

LD1401110593 Prague Radiozurnal Radio Network in Czech 0800 GMT 14 Jan 93

[Text] Czech Foreign Minister Josef Zieleniec regards yesterday's air bombing of the military installations in south Iraq as an appropriate reaction corresponding to truce conditions in the zone and to their observation. As he stated, the air raid carried out by the United States, along with their French and British allies, was within the the international community's process of striving for peace and the observation of elementary rules of behavior among countries that began with the liberation of Kuwait.

More From Foreign Minister

LD1401111493 Prague CTK in English 1024 GMT 14 Jan 93

[Text] Paris, Jan 14 (CTK)—Czech Foreign Minister Josef Zieleniec told CTK in Paris last night that he considers the attack by U.S., British, and French aircraft against Iraq on Wednesday [13 January] evening justified. Iraq is a country which has been extremely violating the generally valid rules of relations between states, he said. He does not think that the attack heralds a wider armed conflict.

Zieleniec expressed the view that by its recent confrontational steps, Iraq has tested the situation at a time when the new U.S. administration is preparing to take up office.

Zieleniec arrived in Paris on Wednesday to sign today the international convention banning chemical weapons.

During a dinner hosted for some 115 foreign ministers last night, he met with his Austrian, Polish, Hungarian and Swedish counterparts, Alois Mock, Krzysztof Skubiszewski, Geza Jeszenszky and Margaretha Ugglas, respectively.

Criticism Reveals Moravian Nationalist Disunity

AU1301202093 Prague LIDOVE NOVINY in Czech 9 Jan 93 p 3

[Report by "(fsch)": "Disunited Moravians"]

[Text] Brno—Moravian National Party Chairman Ivan Drimal has again bitterly criticized Jan Krycer, chairman of the "rival" Movement For Self-Governing Democracy of Moravia and Silesia (HSDMS). Although Krycer was reelected HSDMS chairman, some of the movement's members are, according to Drimal, trying to convene an extraordinary congress that would reject Krycer's liberal political line. Drimal described the two Moravian parties' joint list of candidates for last year's parliamentary elections as a mere "marriage of convenience," adding that mutual cooperation "was never good."

Klaus Comments on Future of Europe, Environment

AU1301214893 Prague MLADA FRONTA DNES in Czech 9 Jan 93 p 8

[Unattributed report: "Klaus Is Skeptical Regarding Maastricht"]

[Text] Vienna—The Czech Republic, Poland, Hungary, and Slovenia [as published] could significantly contribute to the "healing of the open wound in the middle of Europe," Czech Prime Minister Vaclav Klaus declared in the framework of his speech on the future of Europe delivered in Salzburg on Thursday [7 January]. These countries could form an "efficient filter" of the deleterious influence from East and Southeast Europe. This, however, requires assistance from the West.

According to him, the future of Europe must be considered separately from the future of European institutions. Klaus described himself as a "Euroskeptic" regarding certain Maastricht agreements. Moreover, he warned against a overly rapid entry in Europe, and pointed out the necessity of the existence of borders.

On environmental issues, Vaclav Klaus said that the economic transformation must go hand in hand with the recovery of the environment, and that the greatest danger to the environment does not come from the nuclear power plants but rather from the lignite thermal ones.

On Progress of Czech Economy

AU1301143393 Prague EKONOM in Czech No 1 1-6 Jan 93 pp 14-16

[Interview with Prime Minister Vaclav Klaus by Irena Satavova and Eva Klvacova; place and date not given: "Economic Transformation Continues"]

[Text] We keep meeting with economist Vaclav Klaus, whether as finance minister or Czech prime minister, at times of certain transitions. This time, it is not just the occasion of entering the year 1993—the third year of the transformation—but also the time the first pages of the history of the new Czech state are being written. The opening question of our interview reflects this.

[EKONOM] What cornerstones will you use in building the new Czech state and creating its credibility abroad?

[Klaus] At this time, the key matter, the key word is "community." The idea that after 1 January 1993 we would become something or somebody else is pure childishness. We are not trying prematurely, and at any price, to define a new Czech deal, new Czech statehood. First of all, we must complete the transformation process in all its dimensions, and finish what we began on 17 November [1989]. It is not, by far, just an economic transformation—that would be a simplification of the problem. We must also continue with the human, ethical, and cultural transformation. All these processes are interwoven, and we must persevere with them. The main task is not to stop, and to continue everything we have begun. All those who want to preach with pathos that upon the emergence of the independent state, we will be more ethical, that the crime rate will decline, and that so many things will be better are assuming dangerous nonsense.

[EKONOM] Let us focus on the economic transformation. In which points, do you believe, has the economic reform been completely successful, and where did it hit on a stumbling-block it has not yet managed to overcome?

[Klaus] I keep repeating that the economic transformation is not taking place in a vacuum but rather under very complex social conditions. Therefore, I insist that until now it has taken the only possible course. If I were an independent observer from Mars, I might be thinking that some processes could be implemented faster and perhaps less painfully. If I could be an independent economist in an ivory tower somewhere and look down from a platform on the world below, I would say that in my models and books everything is described and drawn much more simply and cleanly, and I could be quite critical. If I know, however, that the economic reform is a social process in which thousands, hundreds of thousands, and millions of people partake with their innermost interests, and play not only together, but also against each other, I simply must conclude that the reform is running the way it is. I do not believe that any obvious error was made that could have been avoided if we were a bit smarter. I really do not believe so.

[EKONOM] We believe, however, that the pace of reform began to slow down somewhat last year. It could be linked to the election campaign, then the actual elections came, followed by questions regarding the constitutional arrangement. These issues prevailed over the purely economic ones. How would you assess this period from the position of an economist rather than a politician?

[Klaus] The number of disputes or measures concerning the constitutional arrangement certainly prevailed over the changes of purely economic character. Let us ask, however, whether that is proof that nothing happened in the economy? I do not believe so. During the past three years, most of the spectacular reform steps—such as the beginning of the small-scale and the large-scale privatization, for instance, or the price liberalization—have taken place. Now, the time came for the plain, everyday work effort. Prior to the elections, I asked my advisers to draft a list of outstanding reform steps for the next government policy statement. Only, there is none. At this time, we must continue what we began and finish it. Privatization, for instance, continues smoothly. I could demand that not 50, but 100 enterprises per week be privatized. The important thing is, however, that there is a certain pace and it is maintained. The second privatization wave is in the process of preparation. Numerous economic laws have been adopted. A tax reform is being prepared, and it represents such a fundamental and profound change that under normal conditions it would in itself be an outstanding reform objective. Hence, I really do not have the feeling that the reform has slowed down, and its economic results please me—just have a look at the diagram of the development of the rate of inflation in the postcommunist countries over the past six months [January-June 1992]. With its 6 percent, Czechoslovakia is at one end of the scale of the eleven relevant countries and Russia is at the other end with 940 percent. Just as fundamental is the development of the structure of Czechoslovak exports, for prior to November 1989, 50 percent of it was destined for the Soviet Union, and this year, 50 percent of Czechoslovak exports go not just West but to the EC countries. If this data is not proof of an extraordinary adaptability of the Czechoslovak economy, then I have no idea what could provide such proof. Moreover, I can continue citing examples of the success of the reform—the growth of the personal consumption rate by 18-20 percent in 1992, the growth of industrial output over the past two months, the rapid growth in construction, in shipping.... The results of the reform are not something that worries me.

[EKONOM] One of the conditions necessary for the continuing progress of the transformation are bankruptcies that represent a cleansing, therapeutic mechanism of any normal economy. Nevertheless, the full effect of the law on bankruptcy and settlement was postponed by six months in October. At the same time, a group of experts was established who were to find a solution to the bankruptcy-related problems. What are the results of the work of these experts?

[Klaus] I have frequently repeated, and emphasize again, that the law on bankruptcies is not adequate. It is a fair-weather law. It would be suitable for Norway or Switzerland, but not for an economy in transformation. We need to come up with a specific solution for a specific situation. Just as the standard privatization methods have not been acceptable to us, and we had to resort to the nonstandard method of coupon privatization, we also need a nonstandard law on bankruptcy. That did not happen in the adoption of the standing law despite my intense efforts. The way out was found in the postponement of the validity of Article 27 by one year, i.e. until 1 October 1992. As the date was approaching, I must admit that in the avalanche of pressing tasks in the context of partitioning Czechoslovakia we did not think of it, and I have no idea which of the ministers I could blame. Therefore, we had to halt the effect of the law on bankruptcies, and at this time we are working on a version appropriate for transformation.

[EKONOM] Let us go back to the work of the special experts commission established for dealing with the nonstandard problems connected with the law on bankruptcy and settlement. So far, nobody has been willing to inform us on the results of their operation.

[Klaus] I must say that the results are meager. The approach adopted is the removal of individual layers of the problem, which is the right way, and in this way the state helps the enterprises tremendously—the recent action with the Czechoslovak Trade Bank is an example—but a global, final, and inspired solution to the question of enterprise insolvency, the potential consequences of the bankruptcies and distributing them among individual participants has not been found so far. Although we discussed the new proposals twice at the meeting of economy ministers, I do not believe that the truly essential form of the law has been found. This is a well considered comment and admission. I myself will pay more attention to this problem.

[EKONOM] Let us focus on privatization now. The scandals that occasionally flare up in connection with privatization and ripple the waters of public opinion, have an antireform effect. Do you believe that their number could be reduced? And a second question: Is the extent of government interventions in the privatization process too great? Is there too much red tape in the entire process?

[Klaus] The most important thing is that the rate of privatization is maintained, and this I consider satisfactory. As far as the ethical side of privatization is concerned, I believe that the number of scandals—or rather miniscandals—is negligible. The emergence of three or four such miniscandals, which more or less concerned just some details, is just a sign that the whole system is basically in order. An absolute majority of the privatization acts, thousands of instances, are running in a completely acceptable manner.

Regarding the issue of the extent of government intervention, what is the government supposed to do if not to intervene in the privatization process? There is a huge number of these projects, and the system must be generalized. The principle of creating the privatization projects from the bottom—if possible in several competing alternatives—is certainly correct. If the project involves state property, the founding ministry must provide its comments, although we can certainly question whether the relevant official at the founding ministry does his work extremely well, satisfactorily, or completely wrong. At the end of the entire process, a single unbiased agency must exist that will combine the sector and other interests to assess the projects on the basis of some more general principle. I cannot imagine any other solution. I believe that the involvement of the National Property Fund in this process was a mistake. We inherited this approach, however, from the previous government. We had no input at the time it evolved.

[EKONOM] Another important element in the transformation is the banking. Are the banks braking the development of the economy? Your statement to this effect upset many bankers and it was interpreted as an attack on the banking sector.

[Klaus] I refuse the claim that a statement made by the prime minister and minister of the economy on what he likes or does not like about the behavior of the banks could be considered an intervention in banking with political innuendo! The banks, just like anything else in this state, are newborn institutions passing from infancy to toddlerhood and are exposed to thousands of childhood illnesses. Their macho statements that they feel themselves adult and mature young men rather surprise me. If my words upset them, then the irritation is mutual. If I see our bankers trying to look as much as possible as if they were on Wall Street, I wonder whether it would not be better if they concerned themselves more with the assessment of the economic situation of some enterprise, and spent more time assessing investment projects and selecting the best. I do not recall whether I said precisely that the banks are choking the economy—I would have to check that—but it is not a matter of a words. I feel they are very inflexible, that they have furnished their offices with grandeur rather than got on with analyzing interesting investment projects. That is an unquestionable fact. Just as evident is the fact that they are increasing their own interest margin, i.e. the difference between the interest collected and paid. The inflexibility of the banking system applies to the commercial banks just as much as to the central bank, which, I believe, became too involved in politics and reached the point where less would be more.

[EKONOM] The commercial banks are reproached for lending far more to the state enterprises than to private businesses, and that they often lend money not based on the principle of safety of the loan and collaterals but rather on the principle of personal contacts and relationships.

[Klaus] There are many indications to this effect. Of course, it is much easier to lend 100 million korunas once than 1 million 100 times! That is how the banks are acting at this time. It is logical, and we can hardly blame them.

[EKONOM] When we spoke with Bank Governor Tosovsky, and asked what the central bank can do to cut the interest rate and stimulate an economic recovery, he replied that a cut in the discount interest rate is too weak an impulse to cause the commercial banks to change their interest policy. So, according to you, who could make them do it, and how?

[Klaus] First, competition is necessary in the banking system. Foreign banks are currently licensed for business in this country on the basis of a wrong concept and questionable principles. There are approximately 40 banks operating in the country, but most of them only facilitate payments for enterprises with foreign capital participation, and therefore they have not done anything to help demonopolize the banking sphere. I keep saying that the foreign banks should come here only on the condition that they will open a regular business for our customers in the sphere of standard economic enterprise.

[EKONOM] A growing social tension has been discussed recently in connection with enterprise privatization, the uncertain prospects of these enterprises, expected bankruptcies, the loss of jobs, increasing cost of housing, etc. In some regions, other, specific reasons exist for this tension. Do you feel this tension? If so, how would you assess it?

[Klaus] No, definitely not. If someone were to try to assess this phenomenon, let him compare the warning, catastrophic headlines in our dailies over the past three years and show me in a time sequence how their number is increasing. It is not! It remains the same, the same people put forward the same arguments. I keep meaning to ask my secretariat to classify all the letters from the past three years in which I have been warned that if I do not do something immediately, the mining industry, metallurgy, chemical industry, food industry, engineering, automobile industry, agriculture, or meat processing will collapse within three weeks, newspapers will cease publication, and television broadcast.... I would say that this phenomenon is a permanent factor in our life, nothing more.

[EKONOM] We entered the New Year by partitioning the common state. How do you expect Czecho-Slovak economic relations will develop?

[Klaus] I believe that if the powers and jurisdictions are clearly divided, the relations marred by strifes in the undivided space will become fair and clearly defined. They will be partnership-type relations. I do not see the slightest reason why they should deteriorate as many forecaster-pessimists advertise.

[EKONOM] We are still tied together with the Slovak Republic by a common currency, so that one can speak of a currency union. Will it be viable? In your opinion, how long can it last?

[Klaus] I do not like the phrase currency union. We have never spoken about a currency union. We spoke about the need to minimize the initial-term losses in business, manufacturing, and employment and the expedience to this end of maintaining the common currency, the Czechoslovak koruna, for some time. I have never mentioned how well or badly, and how long it will last, because it is useless to make any such claims. The moment the economies of the two countries begin to divide, the common currency can no longer be maintained. Nevertheless, I tell all those pessimistically inclined that we lived in a complete currency, customs, and I do not know what union until the end of 1992. A 100-percent identical economic policy is not necessary for a common currency, common customs, or a joint market. There are many differences between Denmark and Greece in financial policies, tax tariffs, budget deficits, participation of the state in the economy, and in a thousand other matters, and a customs union exists between the two in the framework of the EC. Here, everybody judges these issues in an absolutist and unpragmatic way. I do not believe it necessary that all the unions in which we live disappear overnight. It will be some time before the final division and polarization of the two countries' economic policies occur. If for no other reasons, then for purely practical ones, because a great inertia exists in the economy, in economic policies, and in the life of most institutions. I do not believe that the period of a common currency will have to be as brief as many say. That is the only thing one can say now. It is an exercise in futility to try to predetermine or predict concrete terms. We must be able to do one thing—flexibly pass over from the first stage of the currency arrangement to the second and from that to the third. Nothing else is needed.

[EKONOM] With the final question, we return to the presidential elections in the United States, which ended in a victory of the democratic candidate Bill Clinton. The outcome of the elections is often interpreted as a turn to the left, as a change toward a greater role of the state in the economy, as a signal for more frequent government intervention. We are interested in your opinion regarding the actual magnitude of the changes to expect in the economic and social policies of the United States, and their relevance for our economy.

[Klaus] In my reply, I will use my favorite analogy. We are a country that—to borrow terms from the way people dress—is changing from its working clothes to a tuxedo. In the United States, the tie fashion changed. It is not necessary to change the tuxedo for something else, and there is no need to talk about work clothes. The outcome of the presidential elections, and the changes that will take place in the United States are relevant for the United States, but absolutely irrelevant for the transformation of our country from the world of communism to an entirely different world.

Klaus Rejects Criticism of Coupon Privatization

LD1301215193 Prague CTK in English 1755 GMT 13 Jan 93

[Text] Prague, Jan 13 (CTK)—Czech Premier Vaclav Klaus today told a press conference that he rejects criticism of the government's coupon privatisation programme by the Coordinating Council of Entrepreneurs' Associations, adding that the method is recognised worldwide as being the quickest and best way to privatise enterprises on a large scale.

According to the Entrepreneurs' Association, coupon privatisation is being held up by the fact that the newly-privatised companies' meetings with their shareholders will not take place until June.

Klaus also rejected accusations that the government is sabotaging the preparatory committee of the Czech Republic's Economic Chamber, by not providing credit guarantees for its activities. He said the government believes the organisation, as it represents the interests of entrepreneurs, should also be financed by them.

The government must be fair towards all similar organisations and does not intend to overstep its mandate by being the representative of all citizens, Klaus said.

Cabinet Approves Proposal for Setting Up Senate

LD1301195093 Prague CTK in English 1859 GMT 13 Jan 93

[Text] Prague, Jan 13 (CTK)—The Czech Cabinet today approved the proposal of parliament deputies for a provisional Senate, the second chamber of the Czech parliament, including a clause dropping the age limit of 40 for Senate members, Czech Premier Vaclav Klaus told reporters after the Cabinet meeting.

The proposal envisages the filling of the Senate, which is to have 81 members, with former Czechoslovak parliament deputies according to the number of votes they received in the June 1992 parliamentary elections.

The Cabinet also approved a proposal to appoint Czech Police Director Ivan Vyleta president of the Czech police, in harmony with a law of last December on the new police structure. Under the law the main police body is called the Presidium of the Czech Police.

Klaus said that no decision regarding the future Czech Republic's ambassador to Slovakia had yet been made.

Klaus also said the government sees no reason why it should react to every piece of news in the newspapers. He was referring to Monday's [11 January] article in "RUDE PRAVO" which said that one of Klaus' Cabinet members had a criminal record.

Havel Leads Poll as Popular Choice for President

AU1301130493 Prague CTK in English 1353 GMT 11 Jan 93

[Text] Prague, Jan 11 (CTK)—Former Czechoslovak President Vaclav Havel is still the most popular choice for Czech President among citizens of the Czech Republic, according to the results of a poll by the Institute for Public Opinion Research.

Of the 645 respondents asked in early December who they thought should become president of the Czech Republic, 45 percent said Havel, compared with 60 percent in July.

Czech Prime Minister Vaclav Klaus and Chairman of the Assembly for the Republic-Czechoslovak Republican Party Milan Sladek each received 3 percent of the vote, and former federal Prime Minister Jan Strasky received 2 percent.

Poll results (in percent):

	July	Sept	Oct	Nov	Dec
Havel	60	51	57	51	45
Sladek	3	3	3	4	3
Klaus	4	2	4	3	3
Strasky	—	—	—	1	2
Other	15	18	20	18	22
Don't know	18	21	16	23	25

Dlouhy Views Current Economic Issues

AU1401093993 Prague CESKY DENIK in Czech 9 Jan 93 pp 1, 11

[Interview with Minister of Economy Vladimir Dlouhy by Jan Kreuzer; place and date not given: "Ingolstadt Is the Greatest Success"]

[Excerpts] [Kreuzer] On 21 December 1992, you signed a treaty on the free trade zone between the countries of the so-called Visegrad Four (Hungary, the Czech Republic, the Slovak Republic, and Poland). In addition to the EC and the European Free Trade Association, a market of 65 million people is being created. It is considered that Slovenia and Croatia may also join. Is that not a pretext for the EC to postpone the entry of these countries to their markets, since they feel threatened by inexpensive production from the "East"?

[Dlouhy] I believe that this does not put our entry at risk—assuming that this market will become free in a sufficiently short time. The removal of these trade barriers is continuing at roughly the same pace as the removal of those with the EC countries. That is, there is a chance that two free trace markets will be established simultaneously. Our political goal is a categorical rejection of the establishment of an autonomous market. Then, it will depend on concentrated pressure on the EC—for example, with regard to textiles and steel—as to when this large market may demand that the EC lifts its barriers. We are going to be stronger. Since our starting conditions are the best of all the East European countries, we are certainly going to profit from this treaty within a short period of time. [passage omitted]

[Kreuzer] For the time being, the preparation of the construction of the crude oil pipelines from Ingolstadt in Germany to the Litvinov refineries is successfully continuing. Could you give any reasons for the rejection of the rival project by the Kuwaiti Sheik Al Khalifah Al-Sabah, and tell us whether it is true that the so-called "Northern Pipelines" would not require any financing or guarantees from the Czech Government?

[Dlouhy] First, if we had all the guarantees for the trouble-free flow through all the countries that lie between our country and the place where the oil is drilled, then, with respect to the physical capacity of the Druzba pipelines, we would not need Ingolstadt. However, we do not have these guarantees, and this is why we do need the Ingolstadt pipelines.

When I came to the ministry after the elections, the Ingolstadt project had been lying idle for one year. Moreover, they had hidden the fact that in May they had received a negative decision regarding its construction. I received a positive answer from the Upper Palatinate Government, as far as the territorial decision is concerned.

There were two projects for the pipelines. The first thing for us to do was to choose one of them. There is always one alternative, which you can say has the chance to become the best one. However, this probability is not 100 percent. It has never been certain that the "Northern Pipelines" would not require financial guarantees from the Czech Government. Many a project has begun with such nice words. I discussed it with Sheik Al-Sabah, and I can say that the project was not sufficiently well prepared from the technical point of view. For example, it did not solve the problem with the pipeline slant from Krusne Hory to Litvinov, where there is a large bulge. The financial costs did not include any investment in the necessary expansion of the Gdansk or other transshipment points in the Baltics. The pipeline would have the necessary diameter, but the transshipment point in the Baltics would not have sufficient capacity, and someone would have to complete the construction. Our financial situation would be unclear and the Commercial Bank, as the guarantor for the project, would not be able to confirm the credibility of the financing of the "Northern Pipelines." Even the time schedule was not clear. In comparison with that, the Ingolstadt pipeline project had been drafted in more detail. In this unstable world today, the diversification of crude oil sources will be a great advantage in 1995.

[Kreuzer] At your most recent news conference, you spoke about the necessity to consider the long term advantages of Czech metallurgy. On this occasion, you described it as "questionable." Jan Strasky, the former Czech Deputy Prime Minister, made a similar comment on this subject in CESKY DENIK in the spring. He said that only short-term, comparative advantages are certain. At that time, the Czech Government rejected the study by the Roland Berger firm, who recommended a return to the centralist concept for metallurgy. Could you comment on these long term advantages, or explain possible prospects for Czech metallurgy?

[Dlouhy] The document you have mentioned followed from the fact that after the second wave of privatization, some 70 percent of metallurgical plants would remain under state ownership, and, at the same time, it assumed a 54 billion [currency not given] investment level in Czech metallurgical plant by 2000. I do not know why the state should own 70 percent of metallurgy! These studies were quite good, but they were based on optimistic predictions and overestimated the comparative advantages. I really do not see many long-term comparative advantages—coking coal from our own resources, and the fact that the workforce will remain cheap for another 10 years, at least. On the other hand, however, Ukrainian ore will not remain significantly cheaper for ever, and transportation costs will also play a role. Metallurgical production is being transferred to navigable rivers or to coastal areas. The opening of the Rhine-Main-Danube canal will represent long term competition for our metallurgy and mining industry. The situation is also being affected by the 10 years of protectionism on Western markets. Moreover, the prices of our products will really stay low for only a short period of time. This is why I am refusing to give metallurgy 54 billion, and I am also refusing to preserve the status quo after the second wave of privatization. I am consulting banking institutions about the entrepreneurial intentions of our main metallurgical plants. My objective is privatization. We may maintain some state ownership, but we should not think that it is necessary to keep the current volume of production.

[Kreuzer] How much of it should be state-owned?

[Dlouhy] Between 20 and 25 percent.

[Kreuzer] The Czech Republic Government wants to provide foreign investors with guarantees for ecological damage that will be discovered in the future, but which has been caused by the past activity of enterprises. Under what conditions should this be done?

[Dlouhy] There will be a general standard according to which the government will proceed, and which the foreign investors will know—so, they will know what they are doing. For damage that is known and numerically expressed in an ecological audit at the moment the joint venture is established, the state, as a rule, will be responsible through the National Property Fund. An ecological audit will also be used to assess future damage. In addition to this, we are setting two conditions. The first is that the damage must be recognized by our Environment Ministry, and the second is that claims will be valid only for five years after the joint venture has been established. Later on, it would be really difficult to distinguish between old and new.

Price Increases, Budget Deficits Discussed

AU1301202993 Prague MLADA FRONTA DNES in Czech 9 Jan 93 p 1

[Report by "(tma, vm)": "The Price Increases Were Largely Exaggerated"]

[Text] Prague—According to Finance Minister Ivan Kocarnik, there are three reasons for price increases higher than the amount warranted by the introduction of value-added tax [VAT]. Vendors are calculating the tax incorrectly, turnover tax is erroneously included in the price alongside VAT, and—first and foremost—producers and vendors have increased their prices. The minister made this statement at a news conference yesterday.

However, according to Deputy Finance Minister Jan Klak, there are few reasons for such a course of action. "I am in no way convinced that costs have risen sharply just recently. They certainly have not risen sharply enough to justify price increases of more than 10 percent," said Klak. He emphasized that, on the contrary, there are some basic things that will improve the producers' situation—the new taxation system means lower levies on the volume of wages paid, the tax burden on legal persons' income has been reduced by 10 percent, and so on.

Finance Minister Kocarnik announced that the budget deficit for the former Federation has been preliminarily calculated at 16.67 billion korunas. The Czech budget has a deficit of 1.02 billion korunas (as opposed to 14.8 billion last year), the federal deficit is 6.36 billion korunas (it will be divided at a ratio of 2:1), and the Slovak deficit is 9.29 billion korunas (financing the Gabcikovo project accounts for 4.0 billion of this). On Monday [11 January] the Czech Finance Ministry will issue treasury bonds amounting to 1.02 billion korunas. Municipal and community budgets—on the contrary—ended with a surplus of 10.9 billion korunas; of this sum, 9.4 billion falls to the Czech Republic. This money can be assigned to this year's budget.

If the 12 billion korunas that the federal budget transferred to the Ceskoslovenska obchodni banka are not counted, the CSFR could fulfill the criterion for an increase in the public debt. The IMF set this at 30 billion korunas for 1992.

Tripartite Council Discusses January Price Jump

AU1301215293 Prague TELEGRAF in Czech 9 Jan 93 p 1

[Report by "jip": "Price Explosion"]

[Text] Prague—Yesterday, the Czech Republic Council of Economic and Social Accords met at the Finance Ministry for an extraordinary night meeting. This action was taken at the request of the trade unions with respect to the jump in prices triggered by the implementation of the new system of taxation.

The trade unions demanded that the situation be dealt with and the government decree on minimum wages be amended. Prior to the meeting, V. Petrus, chairman of the Czech Moravian Trade Union Chamber, said that new wages should be discussed. Under no circumstances do the trade unions want price regulation. The trade unionists brought along their own analyses of the price increases in the first eight days of January. According to these analyses, the real income of employees in the Czech Republic dropped to 92.7 percent of the real income in December 1992. The government submitted its own analysis, but compared to that of the trade unions it was much less detailed.

R. Beranek, chairman of the Association of Czechoslovak Entrepreneurs, laconically stated prior to the meeting that the businessmen did not come to give in. During the session, he emphasized that one cannot simply compare the price growth with the amount of the new tax levy on goods and services because the prices—the only defense mechanism of the businessmen—also reflect the increased rent, fuel, heating price, cost of energy, and wage increases.

In the course of the meeting, each party expressed its ideas on the price increase, and after the break, each proposed its own solution. At the time of this paper's press deadline, a discussion on the solutions continued, and the representatives of all three parties described it as a nonconflict one. Only adopted measures, however, can show how constructive the discussion was.

Economic Agreement Signed with Austria

LD1301190393 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1400 GMT 13 Jan 93

[Text] The first international economic agreement of the independent Slovak Republic was signed today in Vienna by Minister of Economy Ludovit Cernak and his Austrian colleague Wolfgang Schuessel. The agreement concerns cooperation in the building industry, engineering, food and agricultural complex, chemical industry, protection of the environment, power generating, and petrochemical spheres.

Finance Officials Discuss Prices, Currency

AU1301214493 Bratislava PRAVDA in Slovak 9 Jan 93 p 2

[Report by "lr": "A Currency Change on the Horizon"]

[Text] Trencianske Teplice—"We consider the price situation dreadful. The reason is that we have depended on the honesty of the businessmen." That is how Slovak Finance Minister Julius Toth characterized the price development following the introduction of the new taxation system on 1 January 1993. This was the first item on the agenda of the meeting of the Slovak economy ministers, state administration representatives, and economics experts that took place in Trencianske Teplice yesterday. Prime Minister Meciar did not rule out the possibility of the government adopting some measures to regulate prices of certain basic foodstuffs. They should be preceded, however, by a general analysis of the situation by the Slovak Finance Ministry. To our question of whether, similarly to the Czech Government, the Slovak Government is being pressured to take the regulatory measures by the trade unions, Meciar replied: "Nobody needs to pressure us; the government is aware of its duties. We promised at the meeting with the trade unionists that if an undesirable situation arises, we will deal with it." Later, it was announced that a currency change will take place in the 1:1 ratio. A limit will be set for the citizens of the Slovak Republic on the amount of cash they can exchange. They can deposit the rest of their money with financial institutions and gradually draw on their deposits. This measure is, according to Meciar, a purely technical one in character and is aimed at preventing the exchange of "dirty" money.

Minister on Fight Against Organized Crime

LD1201210693 Prague CTK in English 2029 GMT 12 Jan 93

[Text] Bratislava, Jan 12 (CTK)—The Slovak police has already acquired first experiences in the struggle against organised crime, Slovak Interior Minister Jozef Tuchyna told CTK today.

He said that to this end a special emergency unit was established, adding that the Slovak Republic is interested in cooperation with Interpol. Tuchyna said an unofficial agreement on joint representation in Interpol was concluded with the Czech interior minister, which is to be initialled later this month.

After Czechoslovakia's dissolution in January, said Tuchyna, the Slovak Interior Ministry has taken over the protection of Slovakia's borders currently ensured by the border police.

Referring to the intention to strengthen the border police, he said that it is not meant to show mistrust of the neighbouring countries, but it is done to protect the borders against unwanted persons illegally crossing into Slovakia and committing crime. As an example he named Afghans and Kurds as well as other nationals coming from eastern countries.

Tuchyna said he does not rule out possibility of Bratislava becoming an international crime centre. He said if Bratislava and Vienna become one of the largest European region, as intended by both the Slovak and Austrian governments, then problem of organised crime will become ever more serious. Tuchyna said already now there are groups in Bratislava which are known to plan crimes to be committed in Vienna. The police president of the Slovak Republic and the Austrian Police general director are currently conducting talks on future cooperation, he added.

First Edition of New Daily To Appear 14 January

AU1201152793 Prague MLADA FRONTA DNES in Czech 8 Jan 93 p 2

[Report by "(kw)": "The Editorial Office Is Leaving SMENA"]

[Text] Bratislava—A new daily, SME NA PONDELOK, UTOROK... [We Exist on Monday, Tuesday...] and so on, will be published in Slovakia next Thursday [14 January]. The former chief editor of SMENA, Karol Jezik, has offered his former editorial team employment with the new daily. Some 37 editors have promised to take part. The editorial offices of the dailies NOVY CAS, SMER DNES, SLOVENSKY VYCHOD, SLOVENSKY DENNIK, and MOSTY have offered—for a temporary period—the SMENA editors who decided to establish the new daily one page in their dailies.

Daily's Remaining Staff Issues Declaration

AU1301150493 Bratislava SMENA in Slovak 8 Jan 93 pp 1, 2

[Statement by the staff of editors who remained on staff after the dismissal of SMENA's chief editor; place and date of issue not given: "No Disaster, or Degradation"]

[Text] Only a court can decide the truth about the SMENA case. Only the reader can judge the intentions of those who want to remain at the "old" SMENA. It would be useless to assert that we want to be critical of everything and everyone (including the government) if the content of our paper did not show it.

For the first time, we have the occasion to express our opinion on the SMENA case. We firmly believe that there is still solidarity among journalists, despite the fact that, apart from NARODNA OBRODA representatives and Austrian television, no one deemed it necessary to hear the opinion of both sides.

Regarding those who remain, what kind of paper do they want to make? The statutes of the SMENA shareholders' company, Article 16, says: "....In their activities, the editorial staff and the chief editor are independent of the administrative apparatus and management, independent of any political parties, movements, trade unions, governments, or people."

Each and every one of us made an independent decision, despite the fact that the former SMENA management had politicized the entire affair, which has lead us into a difficult position. We could even hear the word—normalizers. [allusion to the "normalization" process introduced by the communist regime after the 1968 Soviet-led invasion]

We consider the manner in which the chief editor and the director of the Economic Organization SMENA Daily were dismissed as amateurish. We do not feel degraded by the fact that we remained on the papers' side, nor do we want to ruin the daily that has been established and run by our predecessors.

The SMENA employees who decided to leave had made their own decision sooner than we made ours. They expressed their will to establish a new paper at the general assembly of the Juventus company on 21 December 1992. At this general assembly, Peter Vajda was also present. He is the director general of the First Slovak Investment company, and he set the condition that to establish the new paper, all editors—more precisely, all employees—should be transferred into the new daily, in which also the Slovak First Investment company would participate.

The results of the vote: There were 31 votes in favor, five against, and 11 abstentions. To nail it down, we are adding that editors who are no longer SMENA employees are members of the company, a company that numbers 47 members in total. SMENA's entire staff has 103 employees.

We sincerely wish a more peaceful and creative atmosphere for SMENA employees who decided—or will decide, as the case may be—to leave—an atmosphere that we are enjoying. They are our colleagues, and we have worked with them for many years. We have the best memories of our relations, which we have enjoyed, relations about which we do not want to speak as of relations that belong to the past.

Who Is Right?

"I have freely decided to accept the post of chief editor, on the basis of the talks that I had with some editors who are leaving now. There was no small number of them. I wish, at least to some of them, clear conscious.

"In my conversation with former SMENA chief editor Karol Jezik I expressed my unequivocal stance on the SMENA legal case. If he provides proof that law has been violated, I will give up my post of the chief editor. He promised to deliver it. He has failed to do so, as yet."

Defense Official Says Arms Sales To Continue

LD1401052793 Bratislava Slovak 1 Television Network in Slovak 1830 GMT 13 Jan 93

[Text] [Begin Igor Urban, state secretary of the Slovak Republic Defense Ministry, recording] We can say today that the staffing of 40-60 percent of the Defense Ministry's sections have been completed. [end recording]

[Correspondent] This was the opening statement delivered by Igor Urban at his first meeting with reporters as state secretary of the Slovak Republic Defense Ministry. Other details of the newly formed Slovak Republic Army were also voiced at the news conference. The Army currently has 43,000 members.

Imrich Andrejcak, advisor to the Slovak prime minister on Army and security issues, in answer to our question concerning the prospect for cutting the compulsory military presence, said this option is still being considered, although the Slovak prime minister said last week that this measure is premature. Such a step must first of all be thoroughly mapped out and considered, especially from the economic viewpoint, whether it is realistic to take such a step now.

[Begin Andrejcak recording] Once an assessment is compiled, both by the [military] command and by us, we will submit it to the prime minister, and either we will convince him that it is more advantageous for Slovakia to further postpone it, or that it is more advantageous to get it under way, or to cut military service as of 1 October or as of some other date in October. [end recording]

[Correspondent] The former federal defense minister also touched upon conversion problems. He said that the manufacturing and marketing of armaments, that would succeed on the world market, will be continued on the basis that their sale will be in keeping with the stance of government agencies.

Meciar Unwilling To Reduce Arms Production

AU1401083693 Bratislava NARODNA OBRODA in Slovak 5 Jan 93 pp 1, 2

[Report by B. Olach: "We Do Not Have an Enemy, or Ally, Either"]

[Text] The first action of the Slovak Republic prime minister this year was directed at the Ministry of Defense.

He was accompanied by I. Andrejcak, former CSFR defense minister, and B. Gerinec, government commissioner for establishing the Slovak Defense Ministry. Rumors are circulating that both are aspiring for the post of the Slovak defense minister. In his address to officers, V. Meciar characterized Slovakia's position in the sphere of international security thus: "First of all, as we understand it, we do not have an enemy. However, the protection of the state borders must be secured by every means. We do not have an ally, either.... who would feel obliged to help us in case of need."

About the treaties with the Czech Republic, he said that they envisage cooperation only in the sphere of consultations, joint command, and training—nothing else.

Three Spheres of Tensions With the Hungarian Republic

He described our relations with Austria as very good. There are similar relations with Poland on the horizon. Despite the international instability in the Ukraine (with many nuclear and also conventional weapons on its territory), both sides consider the common borders to be inviolable. Meciar considers our southern borders to be slightly different, however. "We have had, and we are still interested in having very good cooperation, but there are three spheres of tension," he said. First—the Trianon Treaty [post-World War I treaty establishing the Czechoslovak-Hungarian border] is being questioned even by some members of the Hungarian Government, who say that the current system of collective security and cooperation in Europe does envisage the possibility of a peaceful change to borders. "In our opinion, borders are given and unchangeable, and this is the basic European principle," the prime minister stressed. The other sphere of problems is the endeavor—from Hungarian territory—to "protect" the Hungarian minority in Slovakia. According to Meciar, the country in which the minority lives should take care of it and exert influence on others by showing a good example. The prime minister appreciated assurances given by the state secretary of the Hungarian Ministry of Defense that the Gabcikovo dam project cannot become a reason for an armed conflict. The third sphere of possible tension is "a certain stockpiling, or preparation for stock-piling, of weapons in Hungary," the prime minister said. He justified his worries by referring to the treaties Hungary has concluded with Germany and the United States, and Hungary's intention to import $800 million worth of arms from Russia.

Meciar is afraid that these spheres could get out of the hands of the politicians and lead to an arms race between the two countries, which would have a serious social impact. He stressed that "the policy of the Slovak Government is aimed at solving problems in a decent manner, without increasing tension, and on the basis of mutual respect".

A Lean Budget

On the subject of the "lean army budget", the prime minister said that the army, as well as the Interior Ministry and the Foreign Ministry, may overstep the budgetary rules. However, it should not be made to the detriment of the standard of living of the population. The Slovak Republic's Army will cooperate with the "East", as well as with the "West"—for example, as far as the training of our specialists is concerned. They will go to Moscow, and everywhere else where it will be useful to us. We cannot take membership of NATO as as our objective, if for no other reason than because our technology is not compatible with NATO, the prime minister explained. Despite pressures from abroad to reduce military production, we should not, according to him, "give up what we are good at." Meciar rejected accusations of experts who returned from the Czech Republic that they are "federalists". They will enjoy the same respect in the army as Czech people or those of other nationalities who serve in it.

Official Comments on Allied Air Strike on Iraq

LD1301204493 Budapest MTI in English 2006 GMT 13 Jan 93

[Text] Budapest, January 13 (MTI)—"The Western allies' air attack on Iraq was a limited action and insufficient alone to topple Saddam's regime," Hungarian Deputy Foreign State Secretary Denes Tomaj said on Hungarian Television, Wednesday [13 January] evening.

"Since the end of the Gulf war, Saddam has tried to ignore UN resolutions that obliged his country to pay compensation and reduce its military capabilities. More recently, Saddam's regime has taken provocative steps that endangered neighbouring countries and security in that strategic region," Tomaj said.

The deputy state secretary said he supposed the action was aimed at preventing further Iraqi aggression.

Asked whether Saddam would survive the crisis, Tomaj said: "I think it was only a limited action aimed at warning the Iraqi leadership. I imagine that the destruction of targets by the Western allies make it impossible for Iraq to carry on military activities in the southern part of the country. I think, however, that this action alone is insufficient to topple Saddam's regime," Tomaj said.

Czechs, Slovaks Accept Existing Agreements

LD1201150293 Budapest MTI in English 1424 GMT 12 Jan 93

[Text] Budapest, January 12 (MTI)—Bohemia [as received] and Slovakia sent notes stating that they accepted international agreements concluded by Federal Czechoslovakia as binding for them as successor states, said Hungarian foreign affairs spokesman Janos Herman.

Budapest, Prague and Bratislava were currently negotiating which contracts would remain in force. There were about 100 agreements between Hungary and Czechoslovakia.

Hungary was ready to continue the Visegrad group's cooperation scheme and strove to adjust it to the new circumstances, said Herman, in answer to a reporter's question concerning the recent statement by Czech Prime Minister Klaus that questioned the viability of the Visegrad cooperation.

Speaking to journalists in Budapest on Tuesday [12 January], Herman said the aim of cooperation was to help Poland, the former Czechoslovakia and Hungary come closer to Europe.

Budapest regarded the scheme as a "valuable tool", but now it was difficult to tell what its future would be, although Hungary was ready to make adjustments.

In reply to another question, Herman said that no official Slovak initiative had yet been received for a foreign ministerial meeting mentioned by Slovak Foreign Minister Knazko.

Outlining the schedule for talks on the Gabcikovo Dam, Herman said that at Hungary's initiative, expert discussions were to be held in Slovakia on Friday to consider setting up a provisional water management system on the Danube, in keeping with the earlier London accord, under which the Czechoslovak side undertook to rechannel at least 95 per cent of the original water volume back into the old Danube.

Trilateral talks on the dam issue will continue in Brussels with European Community participation on January 19. Hungary hoped a declaration that parties recognized the jurisdiction of the International Court of Justice could be finalized at the talks, Herman said.

Slovak Ambassador Views Bilateral Relations

AU1301082393 Budapest NEPSZABADSAG in Hungarian 7 Jan 93 p 7

[Interview with Rudolf Chmel, Slovakia's ambassador to Budapest, by Pal E. Feher; place and date not given: "How Should We Cooperate?"]

[Text] [Feher] You became the ambassador of a new state on 1 January. In the past, you were not a professional diplomat, but a successful researcher on Slovak-Hungarian literary links. What are your expectations for your future work?

[Chmel] This problem does not only affect me. A number of my colleagues are familiar with the situation of having to represent a new state after having been the last ambassadors of a state that has ceased to exist. Therefore, this is a personal psychological problem only on the surface because it also has wider social dimensions. The division of the federal state definitely weakens the positions of both states for a while; in fact, it also upsets Central Europe's geopolitical balance to a certain extent because it has redrawn the region's map. However, it is important for all new states to achieve a full international recognition as soon as possible. I guess we cannot complain from this point of view because the Czech and Slovak Republics were recognized at the same time and this situation could not be compared to that of the successor states of the former Yugoslavia or the Soviet Union. It is clear that both states continue the Helsinki process, including respect for the inviolability of borders. I should mention that Slovakia has no territorial disputes with its neighbors.

Against Nationalism

[Feher] At one time, Slovakia was characterized as the easternmost country of Western Europe, and the westernmost country of Eastern Europe. What does this mean?

[Chmel] This means that it unites the process of national equal rights with the ideological wave of Western Europe and the ideas of European enlightenment. This tradition can be the guarantee that nationalism will not be the dominant element in the process of the birth of the new state and in Slovakia's future. Naturally, nationalism, as the final stage of communism, is undoubtedly a great danger mainly to Eastern-Central Europe—especially to Slovak-Hungarian relations. In this area, we did not receive a really good heritage from history. It is a paradoxical situation that our mutual analyses and—to put it this way—"our healing treatment" can lead to the fullest possible investigation of the negative aspects of the past, which in turn will lead to positive decisions in current and especially future Slovak-Hungarian relations. The future of our peoples and states depends on this. This is where I see the undoubtedly difficult, but interesting and hopefully successful, possibilities for the continuation of my work.

[Feher] Let us not hide the fact that there are a number of delicate issues in Slovak-Hungarian relations. I would only refer to two—namely the situation of national minorities and the Bos-Gabcikovo conflict. Czech-Hungarian relations seem to have fewer problems; therefore, you appear to have inherited the conflicts and Viktoria Hradska, your future Czech colleague, has inherited the more pleasant part of the relations. What plans do you have to handle these conflict situations?

[Chmel] The fact that Slovak-Hungarian relations are complicated and controversial rather than clear is an interesting aspect of these relations. As I say, they are interesting, and even if occasional conflicts arise, in my view this term is too strong. Rather, these conflicts are debates and differences of opinion which can, of course, grow to undesirable proportions if we do not handle them properly. Slovak-Hungarian relations have had situations similar to conflicts both in the past and now. Even today, we must be aware of the nature of past political debates which—and this is also a paradox—also connect us, although we often assess the situations themselves in opposite ways. In modern times, Slovaks and Hungarians both had chances for conciliation but these were missed. If we at last assessed history rationally, soberly, unemotionally, and without passions, then we would have to realize that the power of old prejudices is still affecting and distorting our present and future relations.

Overstrung Tensions

[Feher] What can be the explanation for the fact that prejudices have been so permanent in Slovak-Hungarian relations?

[Chmel] This is the issue that I have found most unsettling in the past two to three years. There is a lack of empathy that is stronger in the case of politicians, but which also affects ordinary people and, for this reason, an overstrung national sensitivity can be seen on both sides. For example, in the case of Slovaks, this is some kind of historical-psychological fear, the feeling of being threatened by the most important neighbor. This is why both sides always have to create an enemy image, why it is necessary to spread historical legends, and this is why they keep having to search for criminals who are responsible for the mistakes and failures of the past—the forced Hungarian conversion, Trianon, the Vienna decision, the swapping of the populations, and the forced or natural assimilation. However, the constant repetition of these issues creates an endless circle. Neither the Slovaks nor the Hungarians can climb out of this historical quagmire and we include Bos- Nagymaros, the national minority issue, and even the irrational case of a football match in this. These are technical, energy, water management, and ecological issues that should be resolved sensibly, relying on the competence of experts, and without giving scope to those politicians who "live" from the national issue and from turning it into national conflicts, put ideology, politics into it, and nationalize it. The discussion of the national minority issue will also end up in a deadlock if they are conducted without understanding and in an atmosphere of ultimatums.

There is a constant worry in Slovakia that the Hungarian minority may be used in Slovakia's disintegration. A clear answer has to be given to these worries. We have to make people more aware that, to put it mildly, how many complications have been caused by the conflict between citizenship and national identity in Eastern-Central Europe. This conflict does not exist in those cases where the national, or more precisely, the nationality consciousness is weak as in the case of Slovaks living in Hungary. However, in those cases where this nationality consciousness is strong—as in the case of Hungarians living in Slovakia, Serbia, or Romania—these conflicts can resurface all the time.

It Would Be Good To Renew Ourselves From Within

[Feher] What should be done then?

[Chmel] We must not allow the battles connected to national and nationality consciousness to grow into fanaticism or madness. National minorities have to be treated soberly, with respect for European norms. The strong interest shown by Hungary toward the national minorities in the neighboring countries evokes certain opposite reflexes that do not help to create mutuality. Let us not forget about the destruction of national minorities—the Slovaks, Serbs, Germans, and others—in Hungary in the past decades that is most obviously shown in the process of the mother tongue's degradation, which by all means is the first criterion of national minority rights. It would be ideal if the Slovak national minority in Hungary could renew itself from within. The result could be the meeting of cultures. The Slovak minority in Hungary is living under the influence of the majority, that is Hungarian, culture—this can also have objective reasons—and this leads to the reduction of the role and eventual loss of the mother tongue. However, if the minority culture defends itself against the majority culture—this is the case of Hungarians in Slovakia—

then an opposite state arises that can result in cultural and linguistic isolation. In my view, this is not good, either. Obviously, this is a complicated issue but, in my view, it cannot become a tool of a new conflict and we should seek civilized solutions. This is precisely the area in our relations where we should achieve a rational and factual diagnosis and therapy.

Why are we incapable of this? Why do we deal with history all the time? I, the historian, ask this question. Why can't our children learn from common history books—to follow the experiments in the West? Why can't national minorities be the forces of rapprochement rather than separation? Rather than inspiring isolation, the new situation in political law should promote a new type of rapprochement and joint work. After all, the Slovaks could be mediators between the Czechs and Hungarians and even between the Poles and Hungarians because this follows from our geopolitical situation. For this reason, it would be good if our region could be the scene of the closest possible intellectual cooperation, which would be concomitant with new qualities of political and economic cooperation.

Military Expert Views Slovakia's Armaments

AU1301213493 Budapest NEPSZABADSAG in Hungarian 8 Jan 93 p 3

[Article by Colonel Laszlo Nagy, member of the Defense Ministry's Strategic and Defense Research Institute: "About Slovakia Through the Eyes of a Soldier—Words and Weapons"]

[Text] From 1 January 1993, our northern neighbor is called the Slovak Republic rather than the CSFR, it has 5.3 million inhabitants instead of 16 million, and its capital is Bratislava instead of Prague. In his New Year interview, regarding our old-new neighbor, Prime Minister Jozsef Antall considered it important to state that no arms race will take place between Hungary and Slovakia. Is it justified to highlight this factor from the manifold relations?

In my view, it is justified. Our relations with Slovakia are not without problems; therefore, it is worth examining what kind of neighbor we can expect to have from a military point of view.

In the CSFR, even before the separation, a military reform was under way that proposed the reduction of the armed forces and its more even territorial distribution. In the past, the proportion of the armed forces stationed in Slovakia was below 20 percent, and the reform planned to increase this to 38 percent. The separation speeds up the reform, but makes it more complicated at the same time. According to the prior agreement, the division of the army will be done on a ratio of 2:1 as a basic principle. Basically, this proportion will be applicable for the types of weapons determined in the agreement on the reduction of traditional arms. The division and regrouping of the armed forces and armaments in an easterly direction, and the establishment of the necessary locations and infrastructure, might take many years and will involve high costs for Slovakia.

The following table contains the upper limits for the CSFR and Hungary, and the assumed values for Slovakia, as determined by the above agreement:

	Hungary	CSFR	Slovakia
Tanks	835	1,435	475
Armored vehicles	1,700	2,050	680
Artillery equipment	840	1,150	380
Combat aircraft	180	345	115
Combat helicopters	108	75	25

Some one-third of the CSFR's 135,000-140,000-man armed forces, approximately 45,000 people, will form the Slovak armed forces. Comparing this to the 90,000-man Hungarian Army and considering the quantity of the weapons, we must say that the Slovak Republic obviously does not present a military threat to Hungary. It does not have such an intent, either, just as we do not have the intention to threaten anyone. Hungary does not treat any of its neighbors as enemies, and it does not at all see Slovakia as an enemy. To the contrary, within the Visegrad group, cooperation is also expanding in the area of security policy.

It is true that Slovakia will possess 10 modern MiG-29 combat aircraft. At the moment, we do not have such aircraft. However, this is hardly enough to upset the balance.

Russia will probably deliver MiG-29 aircraft against its $800 million debt. However, this cannot upset the balance, and it will hardly be enough to evoke some kind of Slovak "countermeasure."

Recently, Slovak Prime Minister Vladimir Meciar said on this issue that Slovakia needed a strong army in its threatened position. It seems that the reference to the threatened position is a strong exaggeration; rather, it might have been intended for domestic consumption, to divert attention. At the moment, none of Slovakia's neighbors is showing any kind of ill will toward the new country. As for the strong army, it would be good if they defined more precisely what they mean by this. According to European notions, strong armies cost a great deal, and Slovakia could use its not-very-abundant financial resources better than that. Hopefully, this is what will happen.

The Hungarian prime minister's view, namely that an arms race does not and cannot exist between the two countries, is very probably well founded. This is our best mutual interest.

Jeszenszky Views Right-Wing Party Politics

AU1301210493 Budapest MAGYAR HIRLAP in Hungarian 12 Jan 93 p 3

[Interview with Foreign Minister Geza Jeszenszky by "H.I."; place and date not given: "Hungarian-Jewish Coexistence Is Historically Successful"]

[Excerpts] In addition to Professor Janos Szentagothai and Labor Ministry State Secretary Gyorgy Schamschula, [Foreign Minister] Geza Jeszenszky also attended the opening of the ethnographic-historical exhibition entitled "Chapters From the Life of Hungarian Jews." After his brief speech at the opening, Minster Jeszenszky gave an interview to MAGYAR HIRLAP.

[MAGYAR HIRLAP] Is there a connection between your appearance here and the Hungarian Democratic Forum's [MDF] shift to the right that many people consider unstoppable, and if there is, what is it?

[Jeszenszky] I did not attend the meeting of the MDF's popular-national circles on 9 January, but as far as I know, Sandor Lezsak stated at the meeting that this party would never become a right-wing party.

[MAGYAR HIRLAP] To what extent do you identify with this point of view?

[Jeszenszky] There is a particular kind of uncertainty in Hungarian people at the moment, and many people do not know what certain words mean. For example, the notions of right wing and left wing have become relative. According to many people, leftism, which in the past was a positive value in society's dominant and official value system, has negative connotations now. I believe that this is a transitional state. At any rate, what we consider historically and politically as real right wing in the narrow meaning of the word has no root in Hungary, and it will not have a future. It can survive as an isolated group, but I am convinced that the MDF will remain a center party far removed from any kind of extremism. [passage omitted]

[MAGYAR HIRLAP] At the opening of the exhibition you said that there are government measures that can strengthen the trust of Hungarian Jews. Could you say a little more about these, about the chances of future coexistence and the expected direction of cultural and social processes?

[Jeszenszky] We have seen many predictions that expected intolerance to emerge and that the Jews would be one of the victims of this. These have not been proven correct.

[MAGYAR HIRLAP] However, it would be difficult to ignore the Csurka study.

[Jeszenszky] There are some passages in the Csurka study that I disapprove of and find unfortunate; however, these do not actually incite or inspire violence while, unfortunately, we are witnessing serious atrocities throughout Europe. In more than one of our neighboring countries, an antagonistic propaganda campaign is going on explicitly against Jews, Hungarians, and other foreigners. We should see the proportions. I am convinced that Istvan Csurka has suffered very many unjust attacks in the past three years. If he had not suffered these, then the "Some Thoughts" would have been written differently.

[MAGYAR HIRLAP] What will happen in the future after all this? Can coexistence become positive again, and can the unsettling phenomena be pushed into the background again?

[Jeszenszky] Unfortunately, these are inspired by politics, sometimes unwittingly. In the political game, means are often used that are advantageous for someone in the short term, but at such times it is not assessed what disadvantages they can bring in the long run precisely for their users.

Suchocka, Ukraine's Kuchma on Bilateral Relations

WS1301134293 Warsaw TVP Television Second Program Network in Polish 0700 GMT 13 Jan 93

[From the "Panorama" newscast]

[Text] Prime Minister Hanna Suchocka today is finishing her visit to Kiev, which, according to both sides, has become a break-through in Polish-Ukrainian relations. We are interested in the stabilization of the Commonwealth of Independent States, but with a strong emphasis on the independence and sovereignty of Ukraine, declared the Polish and the Ukrainian prime ministers after a two-hour meeting in Kiev.

[Begin correspondent Anna Waskiewicz recording] The prime ministers talked about political, economic, and historical issues. Commenting on the talks, Prime Minister Suchocka said that politicians leave the assessment of the past to history. Therefore, a committee will be established which, by April, will have prepared new school books, presenting the true picture of past events. During the visit the problem of visas was not raised because Ukraine is not ready for the talks. As I learned from unofficial sources, the authorities have a lot of difficulty printing even new passports for the citizens. This year only diplomats are supposed to receive them. The prime ministers evaluated the talks as held in an atmosphere of understanding. [end recording]

[Begin Hanna Suchocka recording] Poland attaches great importance to economic cooperation with its eastern partners, especially Ukraine. I have emphasized many times that Ukraine, as a big country, apart from Poland, may constitute a very important stabilizing factor in this part of Europe. [end recording]

[Begin Leonid Kuchma recording] Poland is a very important strategic partner for Ukraine. Moreover, very important to us, as neighbors, is the broad aspect of relations with Poland, and I am pleased that I met with the understanding of Madam Prime Minister. [end recording].

Leaders Hail Visit Results

LD1301233493 Warsaw Radio Warszawa Network in Polish 1800 GMT 13 Jan 93

[Text] [Announcer] Prime Minister Hanna Suchocka has ended her two-day working visit to Kiev and returned to Warsaw. At the military airport in Okecie, the prime minister told journalists:

[Begin recording] [word indistinct] returned from Ukraine and I can but confirm that the visit really had an important significance for at least two reasons, from an economic point of view. We expressed support for Ukraine's decisive and bold economic policy which is leading toward the creation of a balanced budget, combatting inflation and the deregulation of the market by removing quotas and concessions, and thus the restriction of those features typical of a centrally controlled economy. Moreover we expressed support for Ukrainian actions aimed at the attainment and maintenance of its sovereignty and independence, and I think no one believes that stabilization in the east is possible without the independence of Ukraine.

Apart from that, the visit also had an important bilateral dimension. In economic matters I think we managed to break through the stagnation existing up to now in Poland's relations with Ukraine. We decided to create a joint commission for history text books. The results of the work of this commission are to be submitted in their initial form by the end of April 1993. In addition to that we also gained an explicit statement by Prime Minister Kuchma on the expansion of the Polish language and literature departments in the Lvov and Kiev universities. [end recording]

[Announcer] Now we hear Andrzej Arendarski, minister for foreign economic cooperation.

[Begin recording] This visit, if you are talking about matters associated with economic relations between both countries, was a breakthrough visit. That is not because we signed some great contracts, but because we created mechanisms for coming to agreements, for overcoming barriers—there are quite a few of these—and we identified the barriers during the talks. We have set up a mixed commission which will meet in Lvov as early as February and discuss very specific problems.

The prime minister was accompanied by a group of Polish businessmen who are extremely interested in cooperation with Ukrainian parters, being present on this market. Their talks, as I was told, and about which I also know as I took part in some of them, were also exceedingly promising. [end recording]

[Announcer] Jerzy Milewski, the head of the National Security Bureau in the Presidential Chancellery, had this to say:

[Begin recording] Polish-Ukraine cooperation is important not only for Poland and Ukraine but also for the stabilization of the situation in the eastern part of Europe, for the new situation in the eastern part of Europe that emerged after the collapse of the Soviet Union. Both presidents, President Lech Walesa and President Leonid Kravchuk, are aware of this and that is why a consultative committee of the Ukrainian and Polish presidents was set up on the basis of an inter-state protocol which was signed in Kiev during the visit by the prime minister. This committee is to stimulate Polish-Ukrainian cooperation in all fields, draw up strategic directions of this cooperation, and also attempt to unblock all kinds of hold-ups or difficulties which might arise from the implementation of daily cooperation on the basis of numerous agreements already in existence between various Polish and Ukrainian government ministries. [end recording]

Cabinet Head Assesses Visit

LD1401120093 Warsaw TVP Television First Program Network in Polish 2145 GMT 13 Jan 93

[Studio interview with Minister Jan Maria Rokita, head of the Council of Ministers Office, by unidentified correspondent in Warsaw—live]

[Text] [Correspondent] Mr. Minister, Prime Minister Suchocka is the first head of government not to meet Ukraine President Kravchuk. Why did that happen?

[Rokita] Prime Minister Suchocka was altogether the first head of the Polish Government to visit an independent Ukraine. In view of that you can hardly say that she is the first head of government not to meet...

[Correspondent, interrupting] The first head of government to visit Ukraine at all.

[Rokita] Well, never before has there been a prime minister who would have met or not met...but that doesn't matter. The real reason is very straightforward—both the Ukrainians and we were very keen on the timing of this visit in connection with the fact that Ukraine at present is entering a key period for its future as a state, as well as for the future of relations between Ukraine and Europe, and Poland, namely, in a few days' time a CIS summit is taking place which is to decide whether Ukraine will enter the Commonwealth and sign its rules or not.

[Correspondent] Precisely.

[Rokita] We wanted to hold before then prime-ministerial level Polish-Ukrainian consultations that are of fundamental importance for Poland's future, and they have taken place. That is a great success, both ours and Ukrainian.

[Correspondent] Precisely. During the visit the prime minister emphasized many times that Poland was interested in the stability of the CIS, and at the same time Ukraine's sovereignty and independence are necessary. Is there no contradiction here?

[Rokita] This statement by the prime minister has been somewhat distorted and perhaps misinterpreted. During these important talks, especially between Prime Minister Suchocka and Prime Minister Kuchma, it was clearly said by the Polish side that Poland wanted a stable Eastern European region and that Poland needed stability beyond its eastern border.

But the price of this stability can under no circumstances be a weakening of the state of sovereignty of Ukraine or Ukraine becoming fully economically dependent on any other state, or the state of hegemony by one of the members of the CIS. That was in a sense our essential message to Ukraine which was passed onto Kuchma, and that is essentially what Suchocka had in mind.

[Correspondent] At the Polish Embassy in Kiev this morning the prime minister met local Polonia. That meeting was to have taken place in Lvov. Why did the prime minister not go to Lvov?

[Rokita] Initially there were two options for this meeting. It was to take place either in Lvov or in Zhitomir, which is where there are the two greatest concentrations of Poles.

In view of the need to meet the widest possible group of Polish representatives from various cities, not just from Lvov or from Zhitomir but also from Kharkov and several other centers, we chose the stereotype model, such as that which takes place during the prime minister's visits to other countries—a meeting with Polonia at the Polish Embassy in Kiev.

The visit to Lvov did not take place for various quite complicated reasons. We decided that...

[Correspondent, interrupting] Were there not fears of anti-Polish sentiments or anti-Polish demonstrations which could have taken place?

[Rokita] No, we had had no reports about anti-Polish demonstrations. But we were aware that at a time that is critical for Ukraine, at a time concerning its independence we should not cause any, even the smallest, irritations in Polish-Russian [as heard] relations, and we had envisaged that the visit to Lvov could have brought about some statements, for instance, by extreme Ukrainian groups. We simply wanted to avoid that.

[Correspondent] What, in your opinion, is the meaning of the minute interest shown by the Ukrainian media in the Polish delegation's visit?

[Rokita] Yes, that is amusing. That was reported by one of the newspapers. I happened to be watching the Ukrainian media directly in Kiev. Yesterday the Ukrainian television and radio were dominated by Suchocka's visit. Essentially, as far as political events were concerned, that was the only thing that was spoken about.

[Correspondent] But today only the government paper wrote about...

[Rokita, interrupting] There is an amusing thing unknown to Polish journalists and the Polish public. The Ukrainian press has something totally unknown to the European press. All reports are reported there with a two-to-three-day delay. That is a completely unusual custom as daily newspapers go but that is simply how things are in Ukraine and it is a pity that the journalists in Poland sometimes do not know this.

[Correspondent] So you think the visit was a success?

[Rokita] The visit is a fundamental event in Polish-Ukrainian relations, precisely because of this critical time for Ukraine. The visit is also, as Suchocka said, a very good sign for stimulating Polish-Ukrainian economic relations. For these two reasons it is a success.

[Correspondent] Thank you very much for talking to us.

[Rokita] Thank you.

Reportage on Suchocka Visit to Ukraine

WA1301200693

For reportage on the visit by Prime Minister Hanna Suchocka to Ukraine, please see the Ukraine International Affairs section of the 13 January Central Eurasia DAILY REPORT and subsequent issues.

Air Force Plans Joint Maneuvers With U.S.

LD1301094893 Warsaw PAP in English 0923 GMT 13 Jan 93

[Text] Warsaw, Jan. 13—The Polish and American Air Force plan to train together for the first time in joint manoeuvres over the Baltic Sea, Commander of the Polish Air Force General Jerzy Gotowala said during the Tuesday 12 January] conference on Air Force flight safety held in Warsaw.

Gen. Gotowala also added that this year the Polish Air Force pilots will be divided into three groups and allotted flight time according to priority in order to keep costs down. Officers will spend 120 hours in the air yearly, fighter pilots 80 hours and flight instructors 50 hours.

Czech Premier Klaus' 'Aversion' to Visegrad Noted

AU1201170993 Warsaw GAZETA WYBORCZA in Polish 11 Jan 93 p 1

[Commentary by Wojciech Maziarski]

[Text] This is not the first time that Vaclav Klaus has made a statement expressing an aversion to cooperation within the Visegrad framework, and to cooperation with Poland in particular. When he was finance minister of Czechoslovakia he frequently spoke critically or even contemptuously of the Polish reforms and their author, Leszek Balcerowicz. Nevertheless, although they caused the atmosphere to deteriorate, those statements did not rule out the possibility of cooperation, which was advocated by, among others, President Vaclav Havel and Jiri Dienstbier, the minister of foreign affairs.

Klaus—now in the role of prime minister of the Czech Republic—is still of the opinion that the Czech Republic will reach Europe faster alone. That is strange in so far as following the dissolution of the CSFR, the Czech Republic and Slovakia must negotiate their association agreements with the EC from scratch, whereas Poland and Hungary now only have to wait for the ratification of their agreements.

Warsaw and Budapest are remaining calm, no doubt in the belief that, as has been the case so far, Klaus' words are no more than words. However, it is worth noting that they are now the words of the prime minister and the leader of the governing party.

Bielecki: Germans Important for European Integration

AU1401110193 Warsaw PAP in English 1933 GMT 11 Jan 93

[Text] Opole, Jan. 11—Minister for integration with the European Communities (EC) and former prime minister Jan Krzysztof Bielecki stressed on Monday [11 January] the importance of Poland's German minority in putting into effect the Polish-German treaty and in Poland's hopes for integration with the rest of Europe.

"If we believe that European integration will bring Poland benefits, economic growth and security for the state then we must believe that Germany lies on that road," maintained Bielecki.

Bielecki was speaking at a meeting with the local authorities in Silesian Opole, southern Poland, and leaders of the local German community.

He thought that recent problems such as the activities of neo-Nazis from Germany and the erection of memorials to soldiers of the German Wehrmacht should be dealt with openly. "This requires greater activity from the Association of the German Minority," stressed Bielecki.

Russian Military Hardware Gone; Troops Remain

LD1301160993 Warsaw PAP in English 1553 GMT 13 Jan 93

[Text] Warsaw, January 13—There were still 4,214 troops in Poland as of January 1 but all military hardware, like combat aircraft, tanks, gunboats, cannons or armoured vehicles, has been withdrawn, Col. Henryk Chmielewski of the bureau of the government plenipotentiary for the stationing of the Russian Federation troops in Poland told a press conference on Wednesday [13 January].

The withdrawal of the Russian troops from Poland and Germany has not claimed any casualties nor damage to the Polish property. There have been no reports about incidents which "would considerably affect" the operation, he added. Chmielewski stated that the bureau had no evidence whether the nuclear arms have been deployed in Poland. No trace has been found of the nuclear weapons' deployment.

The last Russian soldier will have left the Polish territory by the end of 1993.

Daily Warns of Consequences of Antiabortion Law

AU1301202593 Warsaw RZECZPOSPOLITA in Polish 8 Jan 93 p 3

[Untitled commentary by editor in chief Dariusz Fikus]

[Text] The ball has dropped. The Sejm has accepted the bill on protecting the life of the unborn child by 42 votes. Two hundred and thirteen deputies voted for the bill, 171 voted against, and 29 abstained.

An important stage of one of the longest and most heated debates of 1992 has ended; a debate that took place not only in the hall of the Sejm, but also in every Polish household. I think the results of the vote reflect the profound anatagonism that this debate has aroused among society, which has become clearly divided into two rival camps: those in favor of this law and those against it.

There was no mincing of words or arguments. Quite some time ago I already formed the impression that this was no longer a mere debate or forthright discussion, but a holy war. "Poles! The hour has come. It is time to end the cruelest of wars, the war against the unborn child! It is time to remove from our country the scandal of genocide imposed on us by an alien system." That is the appeal the Reverend Jerzy Bajda from SLOWO POWSZECHNE issued to parliamentarians on the eve of the vote.

Those in favor of this view can celebrate. It is their victory. However, it is not a total victory because the law was somewhat mollified at the last moment. Amendments were approved that permit an abortion if the pregnancy is the result of rape or if the mother's health is at stake. A doctor is also not punishable if the abortion is performed to save the mother's life. The mother is never punishable. Prenatal checks are also permitted.

Speaking on television after the vote, Deputy Lopuszanski said he was disappointed with the law because it permits a legal killing of the unborn child. He had the amendments in mind.

However, I think this is an extremist view. Despite its mollification, the law was still passed in its radical version. It forbids abortion, except in three circumstances. A very important amendment permitting an abortion in case of difficult material circumstances was rejected. Apart from Ireland, Poland will now be the only European country with a rigorous ban on abortion. In Ireland one can circumvent this ban only by having an abortion in another country, usually Great Britain. For us, the only countries to go to for an abortion are Czechoslovakia, Germany, or, God forbid, Russia.

Can one be happy about this victory by the Catholic parties? Does it mark the end of this neurotic debate, full of dirty moves? I do not want to be proved wrong, but I think this victory may turn out to be a pyrrhic one. I hope not.

What do I fear the most? I fear the political outcome of this decision. It affects the coalition, for it divides it into those who supported the law and those who opposed it. I do not think this division can be minimized. It will weigh heavily on the entire coalition, despite official statements to the contrary.

I fear the new law will exacerbate the already serious divisions among society. It will exacerbate the conflict between society and the church. It will do nothing to alter the development of opinions about the role of the church, whose authority, so important in our country, is displaying a diminishing trend.

I fear that this ideological debate will affect the fortunes of women, for we are not prapared for the numerous consequences of this law. There will certainly be "backstreet abortions," with all their consequences. The law will have demographic, economic, and medical consequences. Attention has already been drawn to the medical consequences—an increase in the number of pregnancy complications and of infant mortality. The health service, already on its last legs, will have to cope with all this.

The 1956 law was bad. It made abortion a major method of contraception. That is a fact that no one in his right mind can deny. But can one change the world in such a radical way by means of a law? Can one combat a low level of culture and social development by means of a law or code? Will this not cause immeasurable damage?

Poland is not the only country to indulge in such a debate. Almost the entire world is doing so, with a surprising polarization of views and division into two opposing camps, those in favor and those against abortion.

A major step has been taken in this matter. The defense of mankind has been undertaken, on the assumption that a person is a person from the moment he is conceived. However, do we realize all the consequences of this step? I doubt it.

Walesa Ratifies Law on Radio, Television

LD1301172293 Warsaw Radio Warszawa Network in Polish 1500 GMT 13 Jan 93

[Text] President Lech Walesa today signed the law on radio and television, his press office reports. The law comes into force in a month's time. Among other things, a National Council for Radio and Television will be set up with powers to grant licenses for broadcasting of radio and television programs. The legal situation of about 40 broadcasting stations, which are already working without a license, will be resolved.

Romania's Position on Iraqi Issue Discussed

AU1301181593 Bucharest ROMPRES in English 1637 GMT 13 Jan 93

[Excerpts] Bucharest, ROMPRES 13/1/1993—Romanian Foreign Ministry spokesman announced at the Wednesday, 13 January newsbriefing that the ministry had given instructions to Romania's permanent UN mission to address the Security Council for the urgent solution of the situation of the four Romanian ships detained at the beginning of this year in the Serbian sector of the Danube. [passage omitted]

The spokesman also touched on the issue of Romania's being ascribed, by foreign media, a position allegedly contrary to its avowed attitude in the matter of the enforcement of the UN Security Council resolutions on Iraq. Relative to such speculations, Romania's Ministry of Foreign Affairs reminded that Romania had treated the situation created by the Iraqi invasion of Kuwait and its consequences with unabated consistency from both the point of view of international law and of the obligations incumbent of this country as a responsible member of the international community. The spokesman underlined that Romania's position in the matter was not just a conjuctural one, it was this country's fundamental option. Considering the fact that other recent measures taken by Iraq come in contradiction with this requirement, the Romanian Foreign Ministry expressed its hope that the Iraqi Government would adopt an attitude apt to avoid any new confrontations, and would act for the removal of those reasons that prompted the military actions of the international coalition, the spokesman said.

State Secretary, Belarus Official Discuss Treaty

AU1301195693 Bucharest ROMPRES in English 1915 GMT 13 Jan 93

[Text] Bucharest, ROMPRES 13/1/1993—Wednesday, 13 January, the delegation of the Ministry of External Affairs of the Republic of Belarus, led by Deputy Foreign Minister Vladimir Astapenko, was received by Romanian Foreign Secretary of State Constantin Ene.

At the close of the talks, Mr. Ene said that the negotiations and the tenor of the talks showed the two sides' wish to develop the relations between Romania and Belarus. Over the two days of negotiations, the text of the treaty of cooperation and good neighborliness between Romania and Belarus has been practically agreed on, Secretary of State Ene said, expressing his hope that the treaty could be made ready for endorsement by the end of March 1993. The sides, he showed, reviewed further possibilities of enlarging the legal frame devised to guide the relations between the two countries in future.

Nation's 'Deteriorated' Image Abroad Discussed

AU1301183493 Bucharest ROMPRES in English 1737 GMT 13 Jan 93

[Text] Bucharest, ROMPRES 13/1/1993—Sergiu Cunescu, president of the Social Democratic Party of Romania (PSDR) said at the newsbriefing of Wednesday, 13 January, that the main factors that deteriorated Romania's image in the world after the revolution of December 1989 were "the superficial trial of the Ceausescus, the instigation against the concept of political party and the miners' raids on Bucharest".

He claimed that this country's prestige in the world was ruined by the mistakes made by its leaders, "mistakes the opposition had then to amend."

While stating that only truth could help regain confidence, Mr. Cunescu pointed out that the opposition parties in Romania "seize any opportunity to explain the real state of facts," whenever representing this country abroad.

In reply to questions asked by the press, Sergiu Cunescu and other leading members of the PSDR opined that the country's image outside could be improved by a change in the country's president's attitude towards his political opponents, by sustained propaganda activities through the Romanian cultural attaches abroad, and, last but not least, by the opposition's support for the laws of the economic reform.

Attending the briefing were National Peasant Christian Democratic Party (PNTCD) President Corneliu Coposu, the ambassador of Switzerland to Bucharest and the first secretary of the Italian Embassy in Bucharest.

Iliescu's Allegations Against Coposu Criticized

AU1401090993 Bucharest ROMANIA LIBERA in Romanian 7 Jan 93 p 1

[Article by Tia Serbanescu: "Disloyal Practices"]

[Text] On Monday [4 January] evening President Ion Iliescu made a shocking assertion on television, namely that "among the documents of the United States Congress there are written interventions made by the Democratic Convention [CDR] opposing the granting of the [most-favored-nation] status." Then the president became more specific: "There was even a document signed by [CDR leader Corneliu] Coposu in his capacity as CDR President." It is not the first time that Mr. Iliescu has misused his opportunity to strike at the opposition. He is an expert at making aggressive remarks in parenthesis, regardless of the issue that is being discussed. This time, his extremely serious allegations did not remain without consequences. Mr. Iliescu, deceived by the obedient atmosphere in the television studio, overlooked the fact that the press would hurl itself at the "documents" he referred to, and thus he was running the risk of losing prestige by citing untruths. The "document signed" by Mr. Coposu has not been able to be presented so far. The document offered to the press was a "surrogate," that is, a document signed by other authors, who—in turn—quote a "telefax" received from Mr. Coposu in July 1992. The text consists of an introduction written by its authors, a brief summary of the opinions expressed in Mr. Coposu's telefax concerning the deficiencies of the Electoral Bill, the Press Bill, and the Constitution, followed by a final chapter ("Conclusions"), in which the authors—blending their own deductions with concrete elements quoted from the text of the CDR President—consider the granting of the status as inappropriate at that given moment. It is obvious that the authors had used their right to interpret Mr. Coposu's opinions (although they say that they quote "other democratic parties" as well) utilizing them for a purpose that had not been explicitly included in Mr. Coposu's text. Considering these facts, President Iliescu has perpetrated a grave mystification. He has referred to a document that does not exist, offering as proof a document whose conclusions cannot be attributed to Mr. Coposu. Mr. Iliescu has acted in an inexplicable way. In his capacity of president of the country, he did not have to resort to such disloyal practices to assault his political adversary and to manipulate public opinion. His gesture—unworthy of a president—is not only futile, but also dangerous. It proves that the president is aware of the fact that in Romania inadmissible acts have no legal or "moral" consequences and thus they cannot lead to his resignation. As to Mr. Iliescu's image as president, the latest instance offered by his allegations on television proves to be (again) misuse of power.

Patriciu Wants To Sue for Slander

AU1401101693 Bucharest DREPTATEA in Romanian 7 Jan 93 pp 1, 2

[Article by Ioan Frincu: "Mr. Dinu Patriciu Wants To Have Mr. Ion Iliescu Indicted"]

[Text] It is almost unheard of that a state president can afford such a lie as the one told by Mr. Ion Iliescu on television last Monday [4 January]. This was stated by Mr. Dinu Patriciu, with Mr. Raimond Luca in attendance, at the Tuesday [5 January] news conference of the National Liberal Party-Young Wing [PNL-AT]. When you claim that you are in possession of documents, you should also produce them—but such documents cannot exist. I attended all meetings of the Democratic Convention [CDR]. Minutes of the proceedings were drawn up at the end of each meeting. Everybody endorsed and backed the CDR initiatives, including sending special envoys to Washington to canvass for most-favored-nation [MFN] status from the United States. There has not been the slightest hint of an opposition to it; all of us unreservedly backed the delegation and looked for all possible ways and means to enhance its chances of success.

Mr. Iliescu's behavior is shameful and unworthy of a president. I can only express my most profound indignation. As a matter of fact, this only proves that he remained the same old party activist and is repeating the series of contradictions from his very inaugural speech. After telling us that the Ceausescu's inheritance left the industry in a deplorable state—he almost called it a pile of old iron—a few minutes later he said that we have a competitive material basis, which can contribute to our recovery and which deserves to draw further investments; this is a most relevant example. After pleading for a market economy and decentralization, he called for state intervention, sealed by his authority. To assert that Mr. Babiuc [former interior minister Victor Babiuc] is the "father of corruption," that exceeds all bounds. If he has proof, he should produce it. Otherwise, he should be indicted as a liar and slanderer."

Regarding Mr. Iliescu's demand for increasingly stringent laws, this only represents the desire to avail himself of even more severe instruments—just in case—despite the fact that the respective organs are not able to implement the current legislation, which should suffice. The talks conducted with countless officials, including those at the Prosecutor's Office, revealed that crime has not registered any spectacular increase, on the contrary.

Domokos Surprised Over Funar's Allegations

AU1301145193 Bucharest Radio Romania Network in Romanian 1100 GMT 13 Jan 93

[Text] After the appeal addressed yesterday by the leader of the Romanian National Unity Party [PUNR], Gheorghe Funar, to Romania's President, Parliament, the government, and main political parties, the President of the Democratic Union of Hungarians in Romania [UDMR], Mr. Geza Domokos—whom we contacted over the telephone—has expressed his surprise over the allegations of Mr. Funar. I think that Romanian public opinion has lived through a similar experience and I hope it will not let itself be mislead by such an appeal warning about the alleged perils coming from the UDMR and its congress scheduled to begin on the 15th of January in Brasov, Geza Domokos said. In his opinion, the PUNR appeal is an attempt to divert attention from the serious problems facing Romanian society by means of concocted problems. I am certain that the third congress of the UDMR will pursue entirely different goals than those imagined by Mr. Funar and that it will be an open and democratic congress with the broad participation of other political parties from Romania and from abroad, Mr. Geza Domokos stressed, concluding the statement he made to our reporter.

Prefect Sides With Funar on Statue Issue

AU1301160493 Bucharest ROMPRES in English 1155 GMT 13 Jan 93

[Text] Bucharest 13/1/1993—"No matter what is discussed in terms of ethnic rights and freedoms in Romania, it should start from the requisite that we are [Romania's citizens] and we assume everything that derives from the country's Constitution for the Romanian citizens. If one places oneself outside this requisite, then no negotiation, no conciliation is possible," told daily DIMINEATA Cluj County Prefect Grigore Zanc. Therefore, the prefect said, whoever had and still has something to say about "the 'Corvinus phenomenon,' must do it thinking first that he does it as a Romanian citizen, beyond circumstantial or ethnic obligations."

The so-called 'Corvinus phenomenon' means the reactions to the recent measure of the Cluj-Napoca city authorities to dispose the restoration to the pedestal of the statue of Hungarian king of Romanian origin Matthias Corvinus of the plate bearing historian Nicolae Iorga's interwar inscription: "Victor in fight, defeated only at Baia by his own kin when he tried to defeat undefeated Moldova." The plate had been removed by Hungarian occupants after the 1940 Vienna award. It is known that the pinning of the plate with the inscription to its former place on the statue, which meant the rehabilitation of an historical truth, was disapproved by citizens of Hungarian origin. Referring to it, Grigore Zanc stresses that "the memorial does not belong to anyone, to any ethnic minority or other kind of group," it is part of Romania's national cultural heritage and therefore the reaction of a certain ethnic or political groups is not justified.

Heating, Gas, Water Supply Discussed

AU1301195793 Bucharest ROMPRES in English 1801 GMT 13 Jan 93

[Text] Bucharest, ROMPRES 13/1/1993—Romanian Government Spokeswoman Doina Jalea informed the press that the Romanian Cabinet discussed at the today's sitting, the current heating, gas, water and food supplies.

Premier Nicolae Vacaroiu indicated that the running water issue, now at the top of the government's concerns, should be analyzed in cooperation with experts for the elaboration of short-term programmes and long-term investment schemes. The premier demanded that the government's programme for its four-year term should be completed before the end of February 1993 for parliamentary debate. He also asked that appropriate reports should be made ready in preparation of the meetings to be held over March-April in connection with international assistance for Romania.

The cabinet meeting also examined the short-term report (January-June) on the reform of public administration, as well as a number of other draft resolutions.

Free Democrats Oppose Military Intervention in FRY

AU1401133093 Bucharest ROMPRES in English 1023 GMT 14 Jan 93

[Text] Bucharest, ROMPRES 14/1/1993—"The Free Democratic Party is of the opinion that any military intervention in the countries of former Yugoslavia would seriously compromise the principle of state sovereignty, create an extremely dangerous precedent and might bring in grave damage and manslaughter involving innocent people," reads a communique of the said party, sent to ROMPRES. The leaders of the Free Democratic Party appreciate that the current conflict in Yugoslavia has to be solved peacefully, through negotiations.

PUNR Concerned About UDMR's Ethnic Position

AU1301171093 Bucharest ROMPRES in English 1601 GMT 13 Jan 93

[Text] Bucharest, ROMPRES 13/1/1993—Several members of the National Council of the Romanian National Unity Party (PUNR) sent a document to the national news agency ROMPRES showing that party's position on the statute of self-government on ethnic criteria worked out by leaders of the Democratic Union of Hungarians in Romania (UDMR) as a variant to the gaining of territorial autonomy.

"Talks on this issue," the document shows, "are advanced within the UDMR, such a variant being published in Hungarian-Language and philo-Hungarian newspapers in Romania. The statute deliberately violates the constitution of Romania, national laws and the international document referring to human rights and the rights of ethnic minorities." The PUNR considers that the UDMR action is highly serious from a political and national point of view, the Romanian press having the at least the moral obligation to inform public opinion in Romania of the true intentions of the UDMR. It is the PUNR's opinion that the UDMR policy of gaining territorial autonomy and of establishing the structures of internal self-government by ethnic groups is at a decisive stage, the UDMR under-taking total offensive to get the support of occult political forces in the Democratic Convention of Romania".

Economic Crisis Continued During 1992

AU1301211193 Bucharest ADEVARUL in Romanian 6 Jan 93 p 3

[Article by Ilie Stefan: "The Romanian Economy After the Third Year of Transition"]

[Text] The year 1992, the third year of transition toward a market economy, demonstrated the inability of the "reform" governments to stabilize our national economy even to a limited extent. Economic decline continued in 1992, and the Romanian economy continued to float without a direction in 1992, with the clear consequences of an increased lack of use of production factors, increasing inflation and unemployment, and a reduced social protection for the population. More precisely, industry—which has an important role in the current economic structure and thus has a decisive effect on the other economic sectors—showed a slight increase in the period between January-March 1992, followed by a period of steady decrease in production that continued until August 1992. A slight increase in production and productivity was again registered in the last months of 1992. This could justify a greater optimism regarding the new year that has just begun. However, in view of the fact that, according to economic estimates, industrial production dropped by 20 percent in 1992 compared with 1991, this optimism should be moderate.

The situation of our foreign trade activity is also contradictory. It is true, however, that exports and imports accounted in convertible currency increased in 1992. In the first 11 months of 1992, exports increased to $3,697 million, 23.1-percent more than in the same period of 1991; imports reached 4,401 million lei, an increase of 4.6 percent. The problem is that all this led to a trade balance deficit of $704 million. Even more alarming is the fact that paradoxes continue to appear in our national economy: In the last months of 1992, exports and mainly imports dropped while industrial production increased.

Things seem to be worse in agriculture, with production lagging behind the level of 1991 in most branches: 2.3 million tonnes of wheat and 3.7 million tonnes of corn less than in 1991. The drop in agricultural production resulted from a reduction of 273,500 hectares of crop areas, as well as from reduced productivity. There was pillage in the animal husbandry in 1992. This branch exported everything that could be exported and slaughtered everything that could be slaughtered; thus, the numbers of almost every type of animal were on the decrease. The overall drop in economic production is also reflected in the 15-percent drop in the GDP in 1992, compared with 1991 (preliminary figures), and this drop also affected the living standard of the Romanian population. The shortage of goods on the market and the drop in the purchasing power of the population led to a drop in the volume of sales, and the average monthly inflation rate was 9.2 percent in the 11 months of 1992, an extremely high rate. However, unemployment is the most painful consequence of the economic regression from a social aspect: The number of unemployed exceeded 1 million; a figure that is twice as much as the one prevailing at the beginning of 1992, and we do not include here the people who are in a state of "technical unemployment" for various reasons.

Let us hope that the new government and its experts will soon identify the specific causes that led to the blockage of the production and financial mechanism and will find the solutions necessary for halting the decline and reviving the Romanian economy. Of course, the most certain solution is to continue the reform program for the transition to a market economy. In 1992, the percentage of the private sector in the Romanian economy increased mainly in the areas of trade and services. However, the percentage of this private sector in some branches was limited, as in industry. In the first 11 months of 1992, the exports of private entrepreneurs reached $972.2 million, and their imports reached $1,580.4 million, a two-fold and a 2.7-fold increase respectively. The private sector made up 44.4 percent in retail trade, compared with 1 percent in 1990, and the private sector made up 25.6 percent in services. In agriculture, the private sector made up 81.1 percent of the production of grain, 74.7 percent of sunflowers, 85.4 percent of sugar beets, 84.3 percent of outdoor and greenhouse vegetables, 92.6 percent of autumn potatoes, and 63.1 percent of fruit. Although to a limited extent, there has been an increase in the flow of foreign capital in our economy: The number of trade companies set up with the help of foreign capital stood at 20,352 on 15 December 1992, with a total capital of 135,470.6 million lei, including $537.7 million, the capital in hard currency being twice as much as in the beginning of the year. At the same time, we registered 196,127 private entrepreneurs, in the form of family associations and independent persons.

This is the "mirror" of 1992. Taking a good look at it, we can say that we had both bad and good things last year, and that we can be both pessimistic and optimistic now at the beginning of the new year.

Government Views on Domestic Economic Issues

AU1401112793 Bucharest ROMPRES in English 0931 GMT 14 Jan 93

[Text] Bucharest, ROMPRES 14/1/1993—The agenda of the Romanian Government meeting of 13 January covered a set of reports as well as drafts on the extensive economic and social issue.

Misu Negritoiu, minister of state, chairman of the Council for Coordination, Strategy and Economic Reform, presented a report regarding the reform of local government and stressed that actions in the first part of 1993 were meant to ensure the true basis of central and local public administration, aimed at ensuring their proper operation and, implicitly, the implementation of the reform at all levels and in proper conditions. In context, Premier Nicolae Vacaroiu stressed that it was extremely necessary to rapidly contemplate and submit to parliament for debate draft laws regarding the statute of the civil servant. The prime minister also required that the ministries should advance their opinions regarding drafts that were not part of the parliament's agenda for their presentation in parliament, together with other new draft laws as a package of laws set on priorities.

The government was informed by the minister of finance, Florin Georgescu, on the preparation and correlation of the meetings regarding international assistance for Romania that are to take place over March-April 1993. Mentioning that that kind of actions were also due to a more correct perception of Romania in the world, Misu Negritoiu showed among other things the importance of the participation in the first meeting of the Consultative Group for Romania to gather the main present and potential donors of refundable and nonrefundable financial assistance for Romania.

The government also debated the situation of the foreign credits coming from international and governmental institutions that are to be agreed upon, guaranteed by the state. Taking into consideration the fact that these credits were turning into external debts, the prime minister drew attention on the need for their more efficient use in finalizing economic projects. The condition for the accomplishing of that aim is represented by the implementation on time of the government programme comprising the programmes for a more efficient use of foreign resources.

During the meeting, the prime minister requested an intensification of preparatory measures for the introduction of the value-added tax, for the executive to decide on the drafts regarding the date of entering into force of the value-added tax. The chief of the executive insisted upon the importance of a correct information of the public opinion and an explicit presentation of the meaning of the value-added tax, its bearings and advantages for the transition to a market economy.

The executive also adopted a series of laws regarding certain economic and social investments. In this context, the executive decided on the protection of the environment on the site of the Copsa Mica Carbon Commercial Society and on the completion of restoration works on the Central University Library.

National Currency's Exchange Rate Discussed

AU1301160693 Bucharest ROMPRES in English 1159 GMT 13 Jan 93

[Text] Bucharest, ROMPRES 13/1/1993—Razvan Temesan, Vice President of the Romanian Bank for Foreign Trade, told daily CURIERUL NATIONAL that "it was wrong to keep the leu/dollar rate of exchange at 430 lei/dollar for more than two months. It gave the impression that the leu was steady. So, the natural question is: If the leu is as steady as the dollar, why is the interest rate 3 percent with the dollar and 70 percent with the leu?" He mentioned that "on September 30, 1992, when the dollar costed 430 lei, it may have been the real ratio. Much has changed since, though. Only few exporters think of this rate of exchange as encouraging. Maybe the real rate now is 500 lei/one U.S. dollar."

The bank vice president highlights the fact that "the pressure of those who want this rate of exchange to be kept on is strong, but just as strong is our need to develop exports," as "statistics show that the foreign currency takings are already declining and so are exports."

Razvan Temesan assesses that "what we need now is free rates of exchange in order to boost exporting industries. If the prices and rates of exchange will be the real ones," he says, "the economy too, will be real pretty soon, with wholesome effects on the social area and on living standards."

Karadzic Vows To Hold Corridor 'At All Costs'

AU1401124393 Paris AFP in English 1225 GMT 14 Jan 93

[Text] Belgrade, Jan 14 (AFP)—Bosnian Serb leader Radovan Karadzic vowed to hold onto the northern corridor linking western Bosnia to Serbia "at all costs", despite Geneva proposals to carve a part of it out for Bosnian Croats.

Karadzic, who was quoted in an interview Thursday [14 January] in the daily BORBA, flew into Belgrade from Geneva Wednesday after conditionally agreeing—under pressure—to a peace plan for a future Bosnian state. He has staked his position as leader of Bosnian Serbs on its acceptance by his self-proclaimed parliament. The European Community warned Wednesday night they had six days to accept or face total isolation.

Under maps proposed in Geneva, the Serbian-held corridor, which was won in fierce battle last June, would be broken up in one section for the creation of a Croatian majority province. The corridor runs along the Sava river across northern Bosnia that forms its border with Croatia.

The Geneva plan called for 10 autonomous provinces under a multiethnic central government.

But Karadzic said in the interview his side had "already told negotiators that we will have this corridor at all costs," saying there was "no way anyone will take it away from us."

He said he had made this point clear in bilateral talks with Bosnian Croats.

Karadzic again expressed hope that his parliament will approve the peace plan. He said it was a "way to realize our final goal—not the quickest way, but the way traced out" by Geneva conference cochairmen Cyrus Vance and Lord Owen.

He called the plan a "loose association of provinces," conceding that under it "we cannot join our republic to Serbia but we can realize (our aim) of sovereign rights."

He expected the Bosnian Serb parliament to support the plan "in the first half of next week", if necessary "by a secret vote," and repeated that he would resign if it was rejected.

Serb Assembly May Meet 19 Jan for Vote

LD1301212493 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 13 Jan 93

[Text] The assembly of the self-proclaimed Serb Republic [in Bosnia-Hercegovina] will most likely meet next Tuesday [12 January] in order to make a decision on the draft constitutional principles for Bosnia-Hercegovina proposed by the cochairmen of the conference on former Yugoslavia. Radovan Karadzic, leader of the Bosnian Serbs, said this in Geneva today.

Karadzic said he believes that he will get the assembly's support for the draft constitutional principles, which he conditionally endorsed yesterday. He promised he will resign if they are rejected.

He added that if the assembly endorses the draft constitutional principles, he will return to the negotiating table in Geneva next Wednesday or Thursday.

Karadzic Discusses Geneva Plan Acceptance

AU1301192993 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 13 Jan 93

[News conference by Radovan Karadzic, president of the Serbian republic in Bosnia-Hercegovina, with unidentified correspondents in Belgrade on 13 January—recorded]

[Text] [Karadzic] Some matters are particularly important. A constituent—that is, state-forming character—of the Serbian people was given priority in this blueprint that envisages that the greatest number of powers of authority will be executed by provinces. We are now on the brink of achieving our goal, which is the protection of our rights. That was essentially our fundamental goal, to protect Serbian rights, Serbian territories, and Serbian entity and personality.

This is perhaps an indirect way toward our goal, but it is definitely in the direction of our goal.

[Correspondent] Excuse me, but it seems to me that the proposed blueprint is returning everything to the initial phase prior to the war. Namely, we were a constituent nation in Bosnia before the war, and decisions were then also made through consensus, but we were nevertheless constantly outvoted and could not establish authority. How would you explain this?

[Karadzic] There are two very important things that made us embrace these nine points. First, Izetbegovic's [Bosnian president] proposal of a civil state [gradjanska drzava] has flopped; therefore, a civil state has definitely been rejected in the blueprint. At the same time, the constituent character is attributed to the provinces. Therefore, these are two very important elements. A civil state has been rejected and the constituent character of the nations recognized. Second, the divisions mostly based on an ethnic principle have been recognized by which the power was made territory-bound. Therefore, there will be no more of a diffused nation that is drowned in the majority that always outvotes it. There is consensus, constituent—that is, state-forming character—and this state-forming character is territorially confined to provinces.

[Correspondent] Does this blueprint state exactly how much power the collective authorities in Bosnia-Hercegovina would have?

[Karadzic] The collective authorities will have as many powers as all three ethnic groups agree upon through a consensus. Therefore, the central authorities cannot have anything without our approval. Most important, for example, they will not have an army or a police force. Therefore, as Boban [leader of Bosnian Croats] said, namely, when we were drawing up our eight points the opinion was that the present nine points contained more freedom, that each ethnic group and each province [words indistinct] in these eight points.

Karadzic Explains Acceptance

LD1301191993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1828 GMT 13 Jan 93

[Text] Belgrade, 13 Jan (TANJUG)—Radovan Karadzic, president of the Serb republic [in Bosnia-Hercegovina], said on his arrival in Belgrade this evening "the Serb side accepted the constitutional principles for former Bosnia-Hercegovina in Geneva because they have finally rejected the Muslim version of a unitary and civil state."

Karadzic said in a statement for the press at Belgrade airport that "the Geneva agreement recognizes all three constituent nations of former Bosnia-Hercegovina, and provinces are organized according to the principle of ethnicity."

"These are basic reasons why the Serb side agreed to the proposed constitutional solution for Bosnia-Hercegovina," he explained.

Foreign Minister Discusses Geneva Peace Plan

LD1301172193 London BBC Television Network in English 2230 GMT 12 Jan 93

[Interview with Bosnian Foreign Minister Haris Silajdzic by correspondent Peter Snow in London; from the "Newsnight" program; date not given—live]

[Text] [Snow] Do you welcome Dr. Karadzic's [Serbian Republic of Bosnia-Hercegovina president] acceptance of the plan?

[Silajdzic] I think it's a step for the world, yes. But I also hope that he and his people will stop killing people, will stop raping people, will stop besieging our towns, will stop air raids, because people in Sarajevo, only 400,000 people, are dying of hunger and cold. All these words, all these agreements, all of us sitting in Geneva, of me sitting here, in London, we do not help people actually on the ground, and that is important. Many children will wake up tomorrow not having anything to eat. Many people will freeze to death. Yesterday, 195 people in just one area have died of cold yesterday, and yesterday Sajarevo was shelled with all heavy artillery for three hours. Yesterday, the town of [word indistinct] was air raided by planes coming from Serbia.

[Snow] Let's look forward, supposing that the prophesies of doom that Dr. Karadzic himself was saying might come about are wrong and that the Bosnian Serbs do now accept this peace plan. The ball is now back in your court. Now, are you quite happy with all the details of the Geneva plan?

[Silajdzic] Yes, we have agreed on the principles put forward by the cochairman in Geneva, yes.

[Snow] And you accept the detailed map that's been drawn by Vance and Owen?

[Silajdzic] Not that, because that map puts under the majority Serbian rule, actually the territory that the Serbs have ethnically cleansed. It means they killed people there, they expelled people from these places, and then the same people are going to live in those houses from which they expel the people.

[Snow] You then don't accept the plan?

[Silajdzic] No, we accept the principles, that's what we said, but not the maps.

[Snow] But the map is a central part of the plan.

[Silajdzic] No, no I'm sorry, but this is how it is. We accepted the principles but not the maps.

[Snow] But without the map how can you have any real agreement, what about the way you divide up your country?

[Silajdzic] Well, I hope we are not dividing up our country. We shall organize the country. That's our hope.

[Snow] Mr. Silajdzic thank you very much indeed.

Croat Leader Assesses Results of Geneva Talks

LD1301195593 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 13 Jan 93

[Report by Slavko Rako from Mostar]

[Text] Another round of Geneva negotiations—that is, the Geneva conference—ended in Geneva last night. There have been contradictory assessments on its success or lack of success. Mate Boban, president of the Croatian Herceg-Bosnia community, gives his assessment for Croatian Radio listeners:

[Begin recording] The results of this round of negotiations cannot be explicitly presented as a final—that is, complete—act of peace and justice for Bosnia-Hercegovina as a state, but great moves have been made.

First of all, as regards the opposition to the concept of the future Bosnia-Hercegovina based on the principles of the cochairmen of the Geneva conference regarding the constitutional system of Bosnia-Hercegovina, very small differences were expressed by representatives of the three nations [as heard]. Actually, their previous irrational behavior and their illusions that some can have their own Bosnia-Hercegovina or that Bosnia-Hercegovina can be included in Greater Serbia will be removed at the next session, and before that, in bilateral meetings with the cochairmen, the EC, and UN representatives [sentence as heard].

From the very first day we told Europe and the world what the paths to statehood were, that these are methods recognized by the civilized world, and that [words indistinct] for the general well-being of mankind. I hold that we Croats have succeeded in approaching our goals, and that we are very near a solution. [end recording]

Izetbegovic Urges French Shift on Arms Embargo

PM1301144993 Paris LE MONDE in French 12 Jan 93 p 5

[Report by Yves Heller: "Bosnian President Izetbegovic Asks That His People Be Able To Defend Themselves"]

[Text] Bosnia-Hercegovina President Alija Izetbegovic paid a visit to Paris on 9 January during which he met with Francois Mitterrand and also Socialist and opposition figures, including Michel Rocard, Laurent Fabius, Francois Leotard, and Brice Lalonde.

We aren't asking you to sacrifice yourselves for us. All we want is for you to allow us to defend ourselves: This was the burden of the message which (Muslim) Bosnian President Alija Izetbegovic came to present to the French leaders during a visit to Paris on Saturday 9 January. "We are not asking for a (military) presence on the ground, or for foreign soldiers to die for us," he stressed during a news conference. "We are asking for a limited quantity of defensive arms."

But for this to happen the arms embargo, which affects Bosnia-Hercegovina as well as the other former Yugoslav republics, would have to be lifted. And this is a step which Europe, primarily France, has always opposed in the belief that it would only fuel the conflict. Now, Mr. Izetbegovic stated after his meeting with Francois Mitterrand Saturday morning, the French president "has slightly modified his position" on this question and believes that "the Bosnian people are entitled to defend themselves, that nobody is entitled to prevent them defending themselves, and that the arms embargo question should be revisited."

Redefining the Role of the United Nations

Nobody doubts, however, that such a "reevaluation" of the French and European position is liable to be a very long time coming since there is strong opposition to lifting the embargo in the Old World, whereas the United States has declared its support for allowing the Bosnians to be armed. French Foreign Minister Roland Dumas told the Geneva conference on former Yugoslavia on 16 December that lifting the arms embargo would be "a counterproductive measure" since it would represent, in particular, "an admission of defeat," adding that "it would mean that failure to settle the conflict would be the reason why one of the parties would be given the means to defend itself" (LE MONDE 18 December).

Received by Mr. Mitterrand the day after the Bosnian vice premier was slain in Sarajevo by Serb militants while under the protection of French "blue helmets," President Izetbegovic insisted that this was "an assassination, not an accident."

This tragedy, he said, illustrates the vagueness of the mandate of the UN Protection Force in Bosnia-Hercegovina and the need to "clarify" it. Speaking about the "blue helmets" stationed in his country, he believes that "they should be given the means to defend the convoys they are tasked with protecting. And when I say defense, I mean defense using weapons. One convoy in 10 gets to its destination; the other nine are attacked or have to turn back." Mr. Izetbegovic even makes this redefinition of the UN role a condition for the continuation of the talks in Geneva, which is where he went on Sunday.

Reiterating Bosnia's rejection of the plan to divide Bosnia-Hercegovina into 10 provinces proposed by the UN and EEC mediators, President Izetbegovic explained that it is out of the question to legitimize Serb military conquests or to accept certain areas being left in the hands of people who have committed so many crimes. If such a map was accepted, he warned, "1 million Bosnians would not be able to go home."

While urging recognition in practice of a "multicultural, multiethnic, sovereign, and independent Bosnia-Hercegovina," Mr. Izetbegovic nevertheless demonstrated that he has few illusions about his country's future: "Some people have condemned Bosnia-Hercegovina to death, and I cannot say whether it is still living."

Sarajevo Radio: Europe Recognizing Serb State

AU1301125793 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1100 GMT 13 Jan 93

[Unattributed commentary]

[Text] So, the criminal Karadzic [Serbian Republic of Bosnia-Hercegovina president] has agreed to sign the Geneva papers after his [word indistinct] let him know that he was going to discard him, as he did his predecessors, like dirty and torn socks. Of course, Karadzic immediately asked for seven days so that the assembly of his insane state could endorse this decision.

Ineffective Europe has accepted this and, in the same way as it accepts him as a partner in the talks, it has accepted this assembly of his, while repeatedly refusing to allow him to create his own state. However, they are not aware that by accepting Karadzic's assembly they have indirectly accepted his state. That is why we see so much self-complacency on the face of this insane murderer. Europe is indifferent to the fact that Karadzic and his hordes are up to their necks in blood. Anything is better as far as they are concerned than involvement in a war that they think is not theirs. They are not aware of the farce; if they are, they hope that it is too far away from them and that it will stop.

However, knowing Milosevic [Serbian president], it will not stop. He will find another Karadzic somewhere else in the former Yugoslavia and complete the work he has started. How else can he employ and feed such a vast army? The more of them get killed on foreign soil, the fewer mouths to feed. This is the logic of Belgrade's Hitler.

The fact that all that remains for us out of this is a dead letter is confirmed by reports from the fronts. The criminal has generously been given seven days to continue the killing and destruction and, if he possibly can, stir up trouble between the Muslims and Croats, along KOS [the former Yugoslavia's counterintelligence service] lines, so as to create the illusion of a religious and ethnic war and diminish the gravity of his aggression. He has seven days to try out a few more assassinations to force our delegation into giving a definite no to further negotiations.

UN Denies Passing Arms to Serb Forces

AU1301123093 Paris AFP in English 1221 GMT 13 Jan 93

[Text] Geneva, Jan 13 (AFP)—United Nations relief officials Wednesday [13 January] disputed a U.S. report that said Serbian forces in Bosnia-Hercegovina were skimming nearly a quarter of all supplies airlifted to Sarajevo with U.N. consent.

Sylvana Foa, chief spokeswoman for the United Nations High Commissioner for Refugees (UNHCR), said that all parties to the nine-month-old civil war were skimming relief supplies to some extent.

"But to say that we would give it to the Serbian militia is just not true," Foa told AFP. She also expressed doubts about the figure of 23 percent given for the volume of supplies diverted.

THE NEW YORK TIMES said a report commissioned by the U.S. State Department concluded the United Nations had recognised the Serb militia as the de facto authority in the region to determine who gets what.

It said that since the start of the airlift, officials of the world body had sought to "appease the Serb militias by providing 'authorities' a portion of all relief commodities arriving by airlift."

UNHCR officials said they tightened last week procedures for distributing supplies arriving in the Bosnian capital, which used to be taken to separate warehouses run by the Serbs, Croats and Moslems.

They said the supplies were now going to a central warehouse where relief workers supervised the loading on trucks that take them directly to some 90 neighbourhood centres, shops and other points.

The officials said that under an agreement to keep Sarajevo airport open, all parties had the right to inspect the arrival of an average 150 tonnes of supplies airlifted each day.

More frequent, they said, was the skimming of supplies from relief convoys using land routes, which in recent weeks have been delivering as much and sometimes more than the airlift.

Ron Redmond, another spokesman for the UNHCR, said the convoys were sometimes forced to hand over a part of the load to militias to assure passage.

"You are in a war zone and there has to be a certain amount of give and take," he said. "Otherwise you just don't operate."

THE TIMES quoted a report completed last month by Thomas Brennan, a relief expert hired by the U.S. Agency for International Development.

Serbs Accuse UNPROFOR of Helping Muslims

LD1301194593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1440 GMT 13 Jan 93

[Text] Banjaluka, 13 Jan (TANJUG)—The press center of the Banja Luka-based First Krajina Corps of the Army of the Serb Republic [of Bosnia-Hercegovina] announced today that in the battles against Muslim extremists near Novi Grad [formerly Bosanski Novi] over the last three days, 12 Serb fighters and civilians were killed and 36 slightly or seriously injured, while a number of fighters are presumed missing.

The town municipalities have declared five days of mourning.

Serb military sources stress that Muslim forces came unexpectedly from the area under the control of the Danish battalion of the UN Protection Force [UNPROFOR]. According to the same source, several days ago reconnaissance groups from the Danish battalion were spotted observing the positions of the army of the Serb republic.

In the light of this fact, the Danish battalion's activity can be construed as complicity in the latest action by Muslim extremists, especially since members of the Danish battalion used their armored vehicles to evacuate Muslim forces after a counterattack by the Novi Grad [Serb] brigade.

Moslems, Croats Continue Fighting at Gornji Vakuf

LD1301214493 Belgrade TANJUG in English 2037 GMT 13 Jan 93

[Text] Belgrade, Jan 13 (TANJUG)—Troops of the Croatian Defence Council (H.V.O.) and the Bosnian Moslem Army continue to fight at Gornji Vakuf in central Bosnia on Wednesday [13 January], for the third consecutive day, Sarajevo Radio said.

The radio, loyal to Bosnian Moslem leader Alija Izetbegovic, did not give a number of casualties, but said, without elaborating, that Gornji Vakuf was being laid waste by "imported" troops.

The British Defence Ministry said that a British trooper on the U.N. Protection Force (UNPROFOR) had been killed at Gornji Vakuf on Wednesday morning.

Due to intensifying battles between the Moslems and Croats, the British contingent has stepped up armoured patrols in Novi Travnik and the surrounding area to "display a presence and calm the situation," an UNPROFOR official told REUTERS on Tuesday.

Sarajevo Radio on Tuesday for the first time said that Croat forces had shelled the Moslem-populated areas of Gornji Vakuf.

Croatian Radio has also reported that Moslems and Croats are fighting at Gornji Vakuf. The radio, which is subject to censorship under a presidential decree, said that Gornji Vakuf was calm on Wednesday morning.

Croatian Radio said that two H.V.O. (Bosnian Croat Army) troops had been killed on Tuesday, but gave no figures for Moslem casualties.

Neither the Moslems nor the Croats have given any information about the cause of the clash.

REUTERS said on Tuesday that the fighting "has capped a week of rising communal tension in Gornji Vakuf and nearby larger towns of Travnik, Novi Travnik and Vitez, in a largely lawless region."

The towns, which have large Moslem communities, are under H.V.O. control.

Central Bosnia, whose population is fairly equally divided between Croats and Moslems, was torn by fierce clashes three months ago, with the two sides trading accusations of first strikes and killings of civilians.

Casualties Reported

LD1401121593 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 14 Jan 93

[Text] Following clashes between the Croatian Defense Council [HVO] and the Army of Bosnia-Hercegovina, the situation in Gornji Vakuf has stabilized. A joint c[illegible]ion comprising Croat and Muslim military co[illegible] has been touring the town in an attempt to de[illegible]ension and reach a cease-fire. Unfortunately, a la[illegible] number of people on both sides, both civilians and combatants, have been killed or injured. On the Croatian side three people were killed and 16 injured including six seriously. No figures are available for the Muslim side.

Commission To Forestall Croat-Muslim Clashes

AU1301154693 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1400 GMT 13 Jan 93

[Text] There was an incident outside a cafe in downtown Mostar at around 2000. A bomb was thrown at the military police of the Croatian Defense Council that arrived to intervene, and in the ensuing shooting three policemen and two civilians were wounded. The bomb was thrown by a soldier of the Croatian Defense Council, and 13 people were arrested and accused of clashing with the military police.

The clashes in Gornji Vakuf between the Muslims and Croats have caused deep concern in Mostar. Fear of similar clashes spreading has been increased by today's announcement by the Fourth Corps of the Bosnia-Hercegovina Army, which says that, in Jablanica, a certain number of unknown people have been spotted wearing the uniforms of the Croatian Defense Council and that these people were obviously from elsewhere. Their presence has generated great tension in Jablanica, while the officials of this commune and the Fourth Corps are making an effort to prevent the outbreak of unwelcome and unwanted clashes between the Muslims and the Croats in this area.

On this occasion, the Party of Democratic Action of Mostar today appealed to the Muslims not to allow themselves to be dragged into a confrontation and at the same time called on the Croats and their legitimate representatives to do all they could to avoid tragic clashes.

To alleviate the tension and prevent clashes between the units of the Croatian Defense Council and the units of the Bosnia-Hercegovina Army in central Bosnia, a Bosnia-Hercegovina state commission has been formed that is to work together with a commission of UNPROFOR [UN Protection Force] in an attempt to calm the situation and find a (?reasonable) solution. The clashes that we are trying to avoid can benefit no one but our common enemy, the chetnik forces, and the aggressor from Serbia and Montenegro, who have already used such clashes in the past.

Serbs Bomb Srebrenica for Third Day

LD1301214593 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 13 Jan 93

[Text] The war presidency of Srebrenica municipality stressed in today's appeal for help that following 300 days of complete isolation, the town has been bombed by Serb aircraft for the third day running. It adds that 15 people, who died of cold and hunger, were found in shelters this morning.

The Srebrenica appeal asks whether almost 300 days of struggle against hunger is not sufficient grounds to help this suffering people.

TANJUG Says Croats Breaching No-Fly Zone

LD1301235493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1913 GMT 13 Jan 93

[Text] Knin, 13 Jan (TANJUG)—The Croatian Air Force recently started flying its combat and freight planes also during the day, a TANJUG correspondent has learned. According to information made available by the special police force of the Republic of Serb Krajina, a flight between Velika Kladusa [in western Bosnia] and Zagreb's Pleso airport, and a flight between Kostajnica and Bosanska Dubica were recorded on 11 January. The planes were flying at a speed of 250 kilometers per hour at high and medium altitudes, which means, according to military circles, that they were on reconnaissance missions.

Particularly intensive activity by Croatian Air Force planes was recorded on 6 January, on the eve of the Orthodox Christmas. Sources in Knin assess that these were also reconnaissance flights. On that day, eight flights were registered between 1200 and 1600. Apart from small AN-20 planes, two MiG-21's were also flying. They were flying from the direction of Velika Kladusa [in Bosnia] and Ogulin [in Croatia], and they flew over southern Krajina, the areas around Bihac [in Bosnia] and Udbina [in Krajina], Gracac [in Krajina], Drnis [in Krajina] and all the way to Sarajevo.

It is common for such frequent flights by Croatian combat planes, and in particular small freight planes, to be followed by offensives by Muslim and Croatian forces on western battlegrounds in Bosnia. This was the case with offensives at the beginning of this year, which followed 15 landings of AN-20 planes at Coralci airport near Cazin [western Bosnia], where 45 tonnes of various war material was unloaded just in one night, on 30 December of last year.

Foreign Legion Personnel Arrive Sarajevo

LD1301221093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1752 GMT 13 Jan 93

[Text] Sarajevo, 13 Jan (TANJUG)—Soldiers of the French Foreign Legion, who are part of the UN peacekeeping forces, arrived in Sarajevo today in their first mission on European soil.

Two aircraft with about 90 legionnaires, who will secure Sarajevo airport, landed at the airport within a short space of time.

It is expected that a further 250 members of the Foreign Legion will arrive today, and their ranks will swell to about 500 this week. These units replace the French infantry-armored regiment, which is ending its six-month mission to secure Sarajevo airport.

The arrival of the foreign legionnaires marks a new turn in the history of the legion, because up to now, the French authorities deployed them only in overseas countries, and especially in Africa.

Spanish Soldiers Extend Activities

LD1401030793 Madrid RNE-1 Radio Network in Spanish 2200 GMT 13 Jan 93

[Text] Spanish soldiers stationed in Bosnia-Hercegovina are going to enter Sarajevo at the request of the United Nations. Until now the Malaga group [the Spanish contingent in Bosnia-Hercegovina] escorted humanitarian aid convoys to the town of Kiseljak, 20 kilometers from the Bosnian capital. British and French forces took over from there to Sarajevo. The United Nations has asked Spain for our soldiers to reinforce the guarding of this last stretch because they are the ones who are best at carrying out the humanitarian mission in Bosnia, according to statements by the UN general staff in the region. Meanwhile, for the time being the government is not considering a withdrawal of Spanish troops from the former Yugoslavia, according to sources at the Defense Ministry. The Spanish battalion is maintaining its initial plans for an eventual withdrawal to its bases in Croatia, far from the area of conflict.

Croatian Defense Council Bans Carrying Weapons

LD1301182793 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 13 Jan 93

[Text] The Mostar-based defense department of the Croatian Defense Council of the Croatian Herceg-Bosnia community today announced additional police supervision measures. This is because of the increasingly frequent violations of public peace and order, killing, wounding, threatening with weapons, shooting in towns and villages, and because of the aggravation of the security situation on the territory of the Croatian Herceg-Bosnia community. The aim is to prevent these and other unwanted events from reoccurring.

In accordance with these new circumstances, Bruno Stojic, head of the defense department, issued an order whose enforcement should help ensure greater safety of citizens and their property. The order bans the carrying of long-barrelled guns by citizens and members of army formations. Members of army formations, except when at the battlefield, are allowed to carry weapons only when going to or returning from battlefields, and members of the military and civilian police and soldiers protecting facilities can carry weapons only when in possession of an identity card or a permit for carrying long weapons.

All weapons carried without authorization will be confiscated—by force if necessary. Short-barrelled weapons can be carried by citizens and officials only when in possession of an adequate permit which they must carry with them. In other cases, the weapons will be confiscated.

Citizens who are not members of army formations and off-duty members of army formations and military police are banned from wearing uniforms.

The enforcement of the order will be secured by the military police in coordination with the bureau for internal affairs and special purpose defense department units. They will set up check points at which they will verify identification, search and check up of people and vehicles. They will also step up their patrols in towns and villages. The Croatian Defense Council's defense department announced that anyone opposing the order will be taken to a military police station, and, if necessary, detained and charged by a competent court.

RSK Government Says Agreement 'Unacceptable'

LD1301200393 Belgrade TANJUG in English 1858 GMT 13 Jan 93

[Text] Knin, Jan 13 (TANJUG)—The government of the Republic of Serb Krajina (RSK) considers the Geneva agreement on the constitutional principles for the arrangement of Bosnia-Hercegovina totally unacceptable, the government stated here on Wednesday [13 January].

It said that the draft constitutional arrangements for Bosnia-Hercegovina should be modified to enable the people of the Serb Republic to "become an international law entity in the near future."

At the Geneva conference, Bosnian Serb leader Radovan Karadzic on Tuesday accepted the proposed constitutional principles, providing his agreement to do so was verified by the parliament of the Serb Republic "in seven days at the latest." The principles were presented by cochairmen of the conference on former Yugoslavia Lord Owen and Cyrus Vance during the second round of talks on Bosnia-Hercegovina.

The RSK government pointed out that two new states—the Republic of Serb Krajina and the Serb Republic—had in fact emerged in the territories of former Yugoslavia and that their only request, in compliance with international legal norms, was to exercise the right to self-determination as the highest form of human freedom.

President of the Serbian Democratic Party in the RSK Milan Babic on Wednesday said he was confident that the parliament of the Serb Republic would not accept the principles because they "were imposed."

Babic assessed that the Serb people in the Serb Republic could only accept the agreements which would guarantee them sovereignty in their own territory.

Anything else "is detrimental not only to the Serb people in the Serb Republic, but also to the RSK and the whole Serb people," Babic said.

The RSK was formed by the Serbs in territories within the administrative boundaries of Croatia where they constitute the majority population and in response to Croatia's unilateral secession from Yugoslavia and attempt to downgrade them to a national minority.

Croatia Signs Chemical Weapons Convention

LD1301195793 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 13 Jan 93

[Report from Paris by NOVI VJESNIK and VECERNJI LIST correspondent Mirko Galic]

[Excerpts] The ceremony of signing the convention on prohibiting chemical weapons started in the UNESCO headquarters in Paris this afternoon. Among the 127 countries attending the meeting is Croatia, which is represented by Foreign Minister Dr. Zdenko Skrabalo. [passage omitted]

Croatia was among the first 20 countries to sign the convention today. The remaining 100 will do the same tomorrow and the day after. [passage omitted]

In his speech, Dr. Skrabalo welcomed the convention on behalf of the Republic of Croatia, saying that it is the beginning of a better future. This is an historic opportunity to eliminate weapons of mass destruction and to move toward a safer and more peaceful world. The Croatian minister informed the meeting that chemical weapons have been used in wars against Croatia and Bosnia-Hercegovina, and drew attention to the brutality of the Serb aggression on Bosnia-Hercegovina.

Slovenia and Bosnia-Hercegovina will also sign the convention. The new Yugoslavia, however, does not enjoy the right to join the family of peaceful countries.

Croatian Financial Scandal Detailed

93BA0441B Belgrade POLITIKA in Serbo-Croatian 18 Dec 92 p 9

[Article by R. Arsenic: "Suitcases of Marks Left for Foreign Banks"]

[Text] *Is the outcome of the big financial scandal in Zagreb in sight? According to the claims of Zeljko Mesec, owner of the ZIP [expansion unknown] agency, citizens have been cheated and robbed of about 2 [as published] million marks.*

Zagreb, 17 Dec—The big Zagreb scandal over the so-called financial engineering agencies is apparently receiving an unusual epilogue. While five individuals are already in jail on suspicion of cheating citizens out of a large amount of money, Zeljko Mecec, owner of the ZIP agency, is still in hiding somewhere, since his house in Zapresce near Zagreb was bombed and blown up on 8 December.

The most unusual thing is that even though he is reportedly hiding from the police and angry citizens who invested foreign exchange in his agency in the form of loans, in today's issue of GLOBUS Mesec is giving a lengthy interview and explaining what is actually going on. If one can believe this weekly and Zeljko Mesec, he came to the interview "in the company of high-level Croatian Army officers, who did not want to say whether they were guarding Mesec privately or officially." ZIP's owner, to put it very briefly, claims: "We stole 200 million marks."

The newspaper, naturally, does not reveal how it reached Zeljko Mesec, and describes him as follows at the moment of the meeting: "Tall, pale, with the expression of a broken man, he left the impression that he did not have anything to lose. He was ready to tell what he knew, just to free himself from the burden that has been heaped on his weak back."

Because of everything that has happened, he stated, his wife has filed for divorce and not even his father, who was also chief of Croatia's department for economic crime from 1967 to 1970, wants to speak to him anymore.

In his unusual story, Mesec claims that he was drawn into this business with the financial engineering agency by a certain Vesna Pavkovic, owner of the MPS [expansion unknown] agency (who is in jail) through her "debt collectors." He claims that she kept six of her employees at his agency, and he only signed documents. According to him, Vesna Pavkovic keeps about 10 more such agencies.

The job was simple: they borrowed foreign exchange from citizens with the promise of a high interest rate (25 percent a month), which many people craved and "snapped up." The guarantee for all three investments was just one house, which is mentioned in all those contracts.

Trunks of foreign currency, Mesec says, left every Friday for banks in Graz and Venice, while the lady in question lived luxuriously and bought various valuables, works of art, etc. He claims that she also bought a yacht from bioenergy specialist Zdenko Dumancic for 2 million marks. In this way, Mesec claims, Vesna Pavkovic took out a total of about 200 million marks.

This part of Zeljko Mesec's story is particularly interesting:

"The financial engineering idea went much deeper than robbing citizens. Individual people in power have already been aware of the situation and the theft for months now. A lot of people, including some political parties, also benefited from it. I know that Vesna Pavkovic gave 3 million marks to the HSP [Croatian Rights Party]. A former guard of Paraga's is now one of her gunmen. Two weeks ago, in return for his loyalty, she bought him a new Mercedes sports car worth more than 200,000 marks. He threatened me, and called me at night, until I hired guys, after which he calmed down...."

Judging by this, the real story about what is so far the biggest financial scandal in Croatia is just beginning, and we have yet to see where it will all lead. In that regard Zeljko Mesec's answer to the question about whose protection he was now under is also interesting: "I am under the protection of the state, as you can probably conclude for yourself from the people who are in the room with us. This is too big a fraud and scandal for the state to ignore."

Minister on Future Electric Power Plants

93BA0429C Zagreb NOVI VJESNIK in Serbo-Croatian 23 Dec 92 p 8

[Article by Dr. Franjo Kajfez, minister of industry, shipbuilding, and energy: "Minister Kajfez on Plans To Build New Electric Power Plants in Croatia: The Citizens Will Decide"]

[Text] *"I personally guarantee that the debate will be public and that anyone with a genuine proposal will be able to present it publicly. There has been no decision whatsoever on construction at a single one of the locations currently being mentioned in public."*

Zagreb—Tumultuous debate has arisen in Croatia lately concerning the status of the energy system and the potential construction of new power plants. The reason for this is the relatively poor energy situation in Croatia, especially in Dalmatia, as well as certain awkwardly worded and in some cases inaccurately conveyed statements. Therefore, I feel that as a minister in the Croatian Government, for whom energy is one of the most important duties, I must explain certain facts to the public.

First, the supply of energy in the Republic of Croatia right now is, on the whole, better than could have been expected after the devastation of war and the damage that we suffered. In addition, the disintegration of the former SFRY has made it impossible for us to get electric energy from plants built in other republics with money from Croatia (the thermal electric power plants at Obrenovac, Tuzla, Ganko, and Kakanj). The primary transmission system, the 400 kV transmission line, and other lines were broken and in some cases destroyed, thus halting an appropriate supply of electricity to many regions, especially Dalmatia. Other electric energy installations are also damaged or in enemy hands, so that the production of electric energy is now less than before the war. Moreover, some oil fields in Slavonia are also in enemy hands, so that we are getting less domestic oil as well.

Second, the Republic of Croatia has become an independent state, and we now have both the right and the duty to take care of our own needs, whereby energy is quite certainly one of the most important and most necessary commodities; without it, our lives would be much more difficult and unpleasant. It should be noted here that our homeland is relatively poor in terms of natural sources of energy, and that this will continue to be the case; in the field of energy, there are no miraculous, overnight solutions. It makes sense to begin, as soon as possible, the search for the most advantageous solutions, and we should all participate in this in the desire to help our beautiful country.

Third, aware of this situation, efforts were launched several years ago to systematically resolve this important energy problem. Recognizing that we will have to build numerous new electric energy installations of our own, what is first necessary is to find the locations where they can and may be built, while considering the fact that their effect on the surrounding area is generally not negligible. By applying the top world insight and criteria that are used for this purpose, certain areas where such plants could essentially be built in our homeland will be determined. Specifically, they cannot be built just anywhere, because in that case injuries would be much greater and more frequent.

Fourth, there will be many such locations, but some will be better than others, since each transmission of energy means significant losses, which become greater as distances increase. However, the selection process is rather long and complicated, because consideration must be given to a large number of criteria, and often research must be conducted for them. And only after the essential characteristics of each proposed place are known in detail will it be possible to choose the future construction site from among them—and in this selection the desires and decisions of the local population will most certainly be respected.

Fifth, the public will be informed of the entire procedure in a reliable and timely fashion, and I should stress that not one of the locations currently being mentioned in public is a verified result of this procedure, nor has there been any decision on construction at any of those sites. We are now, finally, the masters of our own state, and we must all believe that none of us has any intention of harming it—especially not by destroying and spoiling any of the natural scenery that still abounds in Croatia. Tourism is an economic activity from which we certainly expect a great deal, but it should be known that it also demands a great deal, aside from giving a lot. We will endeavor to provide tourism with what it needs as quickly and advantageously as possible; anyone who would act differently would be a genuine nuisance and would have to be thwarted.

Sixth, naturally there are numerous, relatively diverse energy solutions, and all of them are being and will be considered, but the most advantageous and appropriate among them will have to be chosen. Because of this, at the end of August I set up a Working Group of the Ministry of Industry, Shipbuilding, and Energy led by Dr. Marko Branica, a renowned scholar and long-time leader of those in Croatia concerned with the environment and looking after it. Their work is almost completed, so that a proposed Program for the Efficient Management of Energy in the Republic of Croatia can be expected shortly. An essential part of it will concern care for the environment, because worldwide experience has shown that anyone who does not properly look after the environment today will pay a high price for that tomorrow.

Seventh, because of all this I feel that we will all apply the best strengths and abilities in order to find the most advantageous solutions—and then we will all, publicly, reach the final decisions about them. This is a complicated and rather long road, but I believe that together we will traverse it in harmony—to the benefit of our beloved Croatia. In any event, this debate will be public, and anyone with a genuine proposal will have the opportunity to present it publicly, defend their reasons, and demonstrate the advantages. The one that the majority of citizens of Croatia, and I would like to believe everyone, regards is best is the one that will be chosen. I personally guarantee this to you as minister of industry, shipbuilding, and energy of the Republic of Croatia.

Reason for Croatian Newspaper Strike

93BA0432C Split SLOBODNA DALMACIJA in Serbo-Croatian 30 Dec 92 p 5

[Article by Zivko Gruden: "Why We Are Striking"]

[Text] For the first time in its half-century history, SLOBODNA DALMACIJA will not reach the hands of its readers because of a strike by the people who produce, distribute, and sell it—journalists, printers, sellers, drivers, and others employed at the SLOBODNA DALMACIJA Newspaper enterprise. That fact, in principle or from a certain distance, could also be accompanied by satisfied comments because a strike is, after all, a characteristic of free and democratic societies, a mechanism that also, in its own way, contributes to their functioning more harmoniously. If it happens everywhere in the democratic world that journalists and printers strike and that newspapers do not appear on the stands for this reason, shouldn't such an event here and today, regardless of what problems and dissatisfaction motivated it, also be an occasion for a sober observation that we have entered the circle of free and democratic societies and countries of the modern world?

Although critically inclined and reserved about our widespread inclination to see events in our own house as "something completely different and exceptional," on this occasion we must nevertheless note that the one-day warning strike that the employees of SLOBODNA DALMACIJA are beginning today is by no means a traditional strike, one of the standard strikes in the world that we have read and heard about, because the strike by the employees of SLOBODNA DALMACIJA is not a strike by workers dissatisfied with wages, working conditions, announced dismissals.... The strike by the employees of SLOBODNA DALMACIJA is a strike by people who are fighting for the bare survival of their product, the SLOBODNA DALMACIJA newspaper, as a free and independent public publication—free and independent within the limits within which public media throughout the civilized and democratic world at the end of the 20th century are free and independent.

What is threatening SLOBODNA DALMACIJA's survival and development as a free and independent public publication? In spite of the clear and publicly expressed positions of the Croatian government and its Restructuring and Development Agency, some powerful people in the party in power, who openly stated on the eve of the last elections that they wanted to conquer SLOBODNA DALMACIJA and make it serve their party, are not giving up those intentions and goals. Furthermore, disturbed by the content and outcome of the recent talks among the interested parties at the Agency and by the statement by its director Zlatko Matesa that the autonomous transformation of SLOBODNA DALMACIJA, since nothing stands in its way any longer except certain technical details, will be carried out in a few days, they have intensified to extreme limits, by means of the board of directors, their attempts to prevent implementation of the legal decisions of legally authorized bodies of the Croatian state at any cost, even at the cost of wrecking the enterprise by keeping it from functioning. They are also succeeding in those attempts of theirs.

Were the journalists, printers, sellers, drivers, and other employees of SLOBODNA DALMACIJA naive when they requested, upon the occasion of the appointment of the state board of directors and its initial decisions, that the board of directors and the administrative bodies appointed by it not interfere in editorial policy? Was Agency director Zlatico Matesa naive when he himself warned the board of directors several days later that it did not have the right to do so? Was Croatian Prime Minister Hrvoje Sarinic also naive when he also felt compelled to state that administrative bodies should not and would not interfere in editorial policy? Wasn't Council of Europe Secretary Catherine Lalumiere right when, during her recent visit to Croatia, in speaking about the freedom of public speech, she expressed doubt that boards of directors appointed by the state would not interfere in the editorial policy of the public media? Can editorial policy be independent in the vital economic and financial decisions at the enterprise? Under those conditions, who can guarantee its immunity, invulnerability, and inviolability, and how? Doesn't the one who has the keys to the enterprise's treasury in his hands have available a thousand ways to influence editorial policy effectively, although perhaps surreptitiously, and tailor it and shape it according to his own taste and whim? Isn't he, in practice, the boss and owner of the newspaper? It is not just that he is not concerned about the consequences of his own measures. He will not have to bear them. His task, after all, at least during this phase, is not economic, but rather political.

A wise boss, interested in profits, would not touch SLOBODNA DALMACIJA's editorial policy, since during the past two years, under the extremely difficult conditions caused by the war and the consequences of the war, SLOBODNA has been the most successful Croatian daily newspaper, the newspaper whose circulation was cut the least during that period. In contrast to this, a boss appointed by the state who, by carrying out orders from powerful individuals in the party in power, wants to turn an independent publication—and that also means one critically disposed toward the policy (of the party) in power—through some sort of transformation, into a sycophantic newspaper for which the positions and the policy (of the party) in power will be a daily commandment for editorial policy and the exclusive criterion for the truth, will strive for his goal regardless of the newspaper's fate and the overall price that will have to be paid for it. The last remnants of the circulation of the great VJESNIK firm and the headlong plunge of Croatian TV journalists to the level of a quarter century ago, with dozens of its former journalists on the labor market, are eloquent evidence of this. Does SLOBODNA DALMACIJA also have to suffer that fate?

Illegal Serbian Immigration to Slovenia

93BA0443D Ljubljana DELO in Slovene 30 Dec 92 p 3

[Article by Milovan Dimitric, Vlado Podgorsek, and Ivan Gerencer: "More and More People Who Do Not Exist"]

[Text] *Slovenia has become the promised land for people from the former Yugoslavia; "visiting" Serbs; unknown faces in Slovene areas.*

Crnomelj, Metlika, Kocevje, Novo Mesto, Brezice, 29 Dec—The number of inhabitants of Slovenia is also increasing in Bela Krajina, Dolenjsko, and Kocevje, quietly and almost completely imperceptibly. A face here and there is unknown, and after three weeks it is seen again, and perhaps some other time, behind some windowpane.

Slovenia is becoming the promised land. This is more and more primarily for the Serbs, those from Bosnia-Hercegovina and those from Serbia. The Muslims and Croats have started to go back or else are at the reception centers. Even those who were staying with relatives are leaving individually. A technician in the Novo Mesto settlement of Slavka Gruma, who was hosting in her apartment six adults and eight children both closely and distantly related, has been left by herself. The area around Bosanski Brod is allegedly so safe that her relatives decided to go back. The woman says that there really is more room now, but life is harder, since there is less money. Previously she received food and also some money, but now that her Muslim relatives are not there anymore, she is once again depending only on her wages, and no longer on state assistance for refugees.

On the other hand, it is now more crowded at her neighbor's place. Relatives who no longer felt comfortable in the "Serbian Krajina" have arrived. Muslim fighters are allegedly shooting around their village. For the time being the fellow has not registered them as refugees, since he is afraid that they will be expelled or at least asked about how they came to Slovenia.

There are several prescriptions. In this specific case, they came across the border in four stages: three times in a car with a Croatian license plate, and one with a Bosnian one. That is what the neighbors claim; the "host" is only talking about a visit. Visits can also be longer ones. This one has already lasted for a month.

Another neighbor is more cautious. His relatives had to take the license plates off both cars so that they would not attract attention, and the cars are parked unregistered in a parking lot around the block. The neighbor is supporting them as well as he can, but it is difficult, since this business has already lasted for almost a year. He does not dare to ask for assistance, because things could get complicated. The "guests," in fact, had to leave Croatia suddenly when the JA [Yugoslav Army] withdrew from the sea. The man claims that it is because they are Serbs and that is why everyone hates them. Could they have done something to someone? I ask you! In any case, they do not open the door to anyone in the evening.

They Were Driven Here by Malicious Rumors

A retired officer who taught Novo Mesto policemen years ago, who were then still militiamen, that they had to use the Serbian language in dealing with him because in the 20 years that he had lived in Slovenia he had not needed to learn Slovene, also has guests. His pension is a good one and quite adequate for guests as well. How long will they be guests? They are always welcome, he assures his neighbors. They were driven here by malicious rumors that are circulating in Banja Luka. Those rumors claim that UN Secretary General Butrus Butrus-Ghali is under severe pressure from the enemies of Serbdom, and that it is only with the greatest difficulty that he is saving his Serbian, Christian brothers from the Muslim beasts, who know him quite well as an Egyptian Copt. Allegedly he also can no longer completely rely on the Russians, and he is afraid that he will have to give in. That, however, means that it is necessary to lift anchor before that... and the new residents are here.

A worker at one of the Bela Krajina enterprises has already had his mother staying with him for half a year. He brought the woman home at night, and she has not shown herself outside the apartment for half a year now. The man is afraid that she will be expelled. He can support her, but he is just afraid about how he will do it if she gets sick. She cannot go home because battles are raging in her town. There are difficulties with food, and even though the woman is of the right nationality (Serbian), she is afraid. Her son, in fact, is in Slovenia and is a traitor, since he did not want to cooperate with the KOS [counterintelligence service], and it is all on record. That is why she preferred to flee. The house? What will be, will be.

People in Kocevje can say that they are meeting new faces. Pleasant people, with a decent appearance, are walking around the town, looking at shops, and getting bored. Some of them are taking children for a walk. A month ago the locals asked one of those people as a joke where Podgorska Street was—they were standing on it—and the man only muttered something in Serbo-Croatian.

Some former JA officers who left Slovenia along with the JA are also reappearing again. What are they living on? Who knows? Where are they living? Some people claim that they have returned to their apartments; others claim that it is not possible, since those apartments have been taken over, but no one cares to tail them.

"Slovene Obligation to the Serbs"

Relatives from Serbia remembered some retired officers who live in Slovenia, and they came. Allegedly things are difficult in Serbia. What if it is bombarded? "Slovenia is nevertheless still ours, since we defended its borders for 70 years. We also benevolently let it leave Yugoslavia. It therefore still owes us something," one of the relatives ingenuously explained to the neighbors; and Slovenia has become a refuge.

Some of these people who do not officially exist are cautious, especially those from Bosnia-Hercegovina. They also had additional documents made (it costs 700 German marks). One can hardly speak of forged ones, since the forms are original ones, and likewise the stamps and everything else, since all of it was seized during the occupation of municipalities in various areas. In those documents they become Jovankas, Fatimas, Vojislavs, Mehmeds, etc., just in case someone will possibly be persecuting Serbs. Allegedly there have already been a great many such cases in the past, and supposedly numerous officially declared Muslims are actually Serbs. They just did not care for it in the assembly camps, since they would allegedly have been discovered too quickly there by other Muslims, since the various fake Fatimas would not have mastered the religious customs.

How are they reaching Slovenia? Supposedly the green border is the most suitable. Now, during the holidays, there are also many attempts with cars with foreign license plates (primarily Swiss). The starting point is usually Karlovac.

One can hear criticisms in Bela Krajina that some locals along the border help people to get across the border and the Kolpa in return for money. That is all unprovable. The fact is, however, that in many places it is possible to get across the border, and that under the cover of night it is not even that difficult to do it on foot, e.g., near Zunici and elsewhere. With cars, however, one can get across concrete bridges where there is no customs post, and at the right moment slip away in a few seconds.

If there is war in Serbia or if there are effective sanctions by some chance, there will be even more "guests," experts claim.

"Illegals" in Brezice Apartments

More and more citizens are also coming to the Brezice Internal Affairs Secretariat to ask about residence permits and how to get someone across the border, even though they already have one or more individuals from the south of the former Yugoslavia at home. In general, in the Brezice border municipality, where there was still a strong army base last year with JA members' families and retirees, there has recently been an increase, probably also because of the winter and the well-known difficulties elsewhere, in the number of people arriving from the south to visit relatives and acquaintances. According to some information there are about 400-500 different "illegals" staying in apartments without coming outside.

The hosts are obviously quite familiar with the legal process, since if someone is caught within 48 hours, expulsion from the country is carried out immediately, but otherwise the process is considerably longer. When individuals from Serbia or Bosnia are involved, the misdemeanor judge will issue a decree on expulsion, to be sure, but there is nowhere to put them, since the neighbors at the border will not accept them. It is not possible to force them, and furthermore we do not have any halfway houses here where people could be sent, and the Red Cross is not even accepting refugees. If we seriously wanted to get rid of someone, we would have to take him to the Hungarian border, give him a passport and a departure and entry visa valid for three months—then he can quite legally cross back and forth for that long—and the police also have to give him 50 marks for expenses! It is not hard to guess the reasoning of all those who come here as foreigners across the green border.

Ivan Kapulin, secretary of the Internal Affairs Secretariat of the Brezice SO [Municipal Assembly], admits the impotence of his office and the police, since both are decreeing measures that are virtually unworkable.

It is consequently not surprising that the Brezice muncipality is the most vulnerable to an influx of foreigners, since the Obrezje border crossing is also the largest international crossing on the southern border. In addition to the refugees, foreigners, and fictitiously registered individuals seeking permanent residence in Brezice so that they can receive Slovene pensions, there are also some people in this city, including former JA officers and retirees, without residence permits and without citizenship. Recently Serbs who lived in Croatia and became unwanted there have also been arriving. They try to obtain permanent residence with acquaintances in the Brezice municipality, by proposing that vacation homes and wine cellars be turned into housing facilities. If they received a temporary residence permit, then applications for citizenship and thus other rights would follow, or else requests for political asylum. The circle would thus be closed and there would be more "Slovenes."

Although the police at the Pomurje border crossing with Hungary at Dolga Vas, through which most of the travelers from the former Yugoslav republics come (with the exception of Croatia, of course, turn back dozens of Serbs, Bosnians, Albanians, Montenegrins, and Macedonians every week because they obviously do not meet all the conditions for temporary residence in our country (they are mostly "short" of the money that they require for residence in Slovenia), the number of travelers from the southern republics who come to Slovenia to "visit relatives" is not decreasing at all. No one knows exactly who they intend to visit and for how long. The Sobota branch of the Republic Employment Institute expects that many of them will try to obtain employment, primarily with private businessmen and tradesmen. After 15 October, which was the deadline for applying and issuing work permits for all foreigners who have already been in Slovenia for a long time, the Sobota branch rejected 20-30 applications for the issue of work permits to foreigners. Private entrepreneurs and tradesmen are very persistent when they want to employ foreigners.

Work Permits for Soccer Players

The very strict standards for issuing work permits, however, obviously do not apply to foreign athletes in Pomurje. The success of Mura's soccer players and the desperate efforts of the leadership and sponsors of the Potrosnik soccer club in Bestinci have encouraged a real trade in soccer players from abroad, mostly from Bosnia-Hercegovina. Volleyball and handball clubs, which employ trainers and players from abroad, have also gradually acquired the soccer players' habits.

And why do private entrepreneurs and tradesmen insist on employing foreigners, even though the Sobota branch of the Employment Institute is offering to have them employ one of the registered unemployed workers with suitable training? There are certainly several reasons: Some of them are related somehow to the foreigners or are good friends. In very many cases, there is also exploitation of the foreign workers, who work for lower wages than domestic workers.

The most persistent are the fruit and vegetable vendors from Macedonia and Kosovo, who are brand-new citizens of Slovenia and also have their own enterprises. Immediately after they became Slovene citizens, they also invited close and distant relatives to come to Slovenia. Later, when they do not succeed in arranging Slovene citizenship for them, they try to employ them in their own enterprises. The Sobota branch of the Employment Institute is not taken in by such naive actions, and consistently rejects such applications for employing foreigners.

Federal

Cosic Discusses Differences Over Peace Plan

LD1301134293 Belgrade TANJUG Domestic Service in Serbo-Croatian 0057 GMT 13 Jan 93

[Excerpt] Belgrade, 12 Jan (TANJUG)—[Passage omitted] Yugoslav President Dobrica Cosic expressed hope that the Serb Republic's parliament will approve the offered constitutional principles for the organization of Bosnia-Hercegovina because their basic conditions contain prerequisites for the realization of the main goals of the Serb nation, he explained. The realization of these goals might not now take the direct and expected path, but it will certainly be successful, Cosic said.

Talking to journalists, Cosic said that the crucial disagreement in the negotiations with the Serb delegation focuses on whether the concept of "constituent nation" or "constituent unit" will be accepted as a constitutional principle. The Serb Republic of Bosnia-Hercegovina's delegation insisted on the latter, but the formulation "constituent nation" was accepted.

The Yugoslav delegation, according to Cosic, believed that this difference was not crucial, and is not of such a nature as to make it impossible for the Serb or any other nation to be equal.

The second contested issue, he said, was the problem of consensus. It was agreed that the constitution and decisions of vital importance for each nation in the new state community should be adopted by consensus.

There also were requests to further specify certain principles and decisions, but maps caused most concern, especially on the Serb side. The maps were not discussed this time, but will be discussed at future negotiations between the three sides with the mediation of experts from Geneva, Cosic said.

President Cosic said that the Muslim delegation could not make a general commitment and give its consent to the constitutional principles for the organization of Bosnia-Hercegovina because Muslim leader Alija Izetbegovic [Bosnian president] had not yet arrived from Dakar, where he was attending the OIC [Organization of the Islamic Conference] minisummit.

According to Cosic, the Muslim delegation spent all day in Geneva politically obstructing the documents which were being discussed. Thus, it took the opportunity to voice the most brutal accusations against Serbs.

Cosic confirmed to journalists that Serbian President Slobodan Milosevic and Montenegrin President Momir Bulatovic completely agreed with him. "This can be seen from my speech and Milosevic's statement by which he supported my standpoint in one sentence," Cosic said.

Army Garrison Established in Southern Town

LD1301180193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1447 GMT 13 Jan 93

[Text] Vranje, 13 January (TANJUG)—A new garrison of the Yugoslav Army has been established in Bujanovac, a town in the far south of the Republic of Serbia and the Federal Republic of Yugoslavia. This has been done in accordance with intentions regarding the transformation of the former Yugoslav People's Army.

This was announced at a press conference in the municipal assembly of Bujanovac today by Major General Miladin Mojsilovic, commander of the Leskovac Corps of the Yugoslav Army. He stressed that the garrison was set up at the request of citizens of the Bujanovac municipality, and also for tactical and operational reasons because of the deployment of troops on the territory of the district of Vranje and with a view to protecting the border zone.

The decision was based on the needs in further strengthening the comprehensive and indestructible bonds between the army and the people and also with a view to stopping the migration of Serbs from these territories under pressure from Albanian nationalists and secessionists.

The municipal assembly of Bujanovac has given much help to the Yugoslav Army in creating conditions and accommodation facilities for the garrison, General Mojsilovic stressed.

Tomislav Mitic, president of the Bujanovac municipal assembly, also spoke about the wish of the citizens of the Bujanovac municipality for a garrison of the Yugoslav Army to be set up in the town.

Attempt To Use Panic Viewed as Failure

93BA0423D Ljubljana DNEVNIK in Slovene 23 Dec 92 p 11

[Article by Maroje Mihovilovic: "Operation Panic Has Failed"]

[Text] *He has drawn the short straw in his deceptive games with the Americans; Slobodan Milosevic is obviously too hard a nut for Latin American coup exploits.*

At the end of spring, when the situation in Sarajevo was extremely critical, when the U.S. and European public were demanded that at least something had to be done, the United States along with its Western allies had already decided in principle that they would even stop the progress of the war and the Serbian aggression by military means. Then the cunning Slobodan Milosevic decided on something unusual. It happened immediately after the declaration of the so-called Federal Republic of Yugoslavia [FRY] and after staged elections boycotted by the opposition, at a time when the world was not even recognizing the legitimacy of that state and its authorities.

In order to gain time to deceive the world public, Milosevic—instead of Borisav Jovic, who was being mentioned most often then as a possible prime minister of the so-called FRY—mentioned as a new prime minister the name of the previously little-known California businessman Milan Panic, who was advocating Serbian interests in the United States. Milosevic thus wanted to deceive the West, since he thought that he would thus create the impression that he wanted ties with the West and was therefore appointing an U.S. businessman as prime minister. Panic is a clever man, and may be useful in diplomatic contacts, he thought.

The U.S. political leadership, however, suddenly thought that Panic might also be good for it. There was just one complication, however: he was an U.S. citizen. Consequently, if he accepted public office in some other country, his citizenship would have to be taken away. The U.S. Department of State, however, was prepared to "wink an eye" if, of course, Panic acted in accordance with U.S. desires, if he started to undermine Milosevic's regime from the influential position of prime minister, and if he created circumstances in which Milosevic's regime would collapse on its own by means of elections. After several days of consultations with Milan Panic in Washington in June 1992, they obviously agreed on how and what. The United States abandoned military intervention, allowed Panic to become Yugoslav prime minister, and gave him considerable assistance in this. It advised him to deal primarily with foreign policy activity, and start negotiating with world statesmen, whom the United States advised to receive him so that his position in Serbia would be strengthened and the Serbian public would thus be convinced that he was the one who could achieve the removal of the sanctions, open up Serbia to the world, and restore relations. Since Panic did not have any political experience, the United States also provided him with significant expert political assistance. Former U.S. ambassador to Belgrade John Scanlan, a man who is quite familiar with the Yugoslav situation, speaks fluent Serbian, and has many acquaintances in Belgrade and influential contacts in Washington, became his chief adviser. A group of experts on practical political work, the media, and political planning also came to Belgrade. Those young experts started to plan Panic's ongoing work, and formulate his strategy. They were hidden from the public, but the members of Panic's government soon observed that he actually had "two governments": the one with the ministers approved by the Assembly, and the other secret "American" one, which also made the principal decisions—or at least that is what some of his ministers are claiming now.

Panic's U.S. advisers thought that the most important thing for him would be to break through Milosevic's monopoly of the media. He was to become a figure known to the media in Serbia and the world as soon as possible. Panic undertook a real American propaganda promotion in Serbian conditions. He was careful to make sure that reporters were always around him. He already undertook this long before the real campaign race started. He created a political base for himself in Serbia. Milosevic certainly soon determined what was going on, but he left Panic alone all summer. He did not bother him as long as he seemed useful to him in diplomacy. At the beginning of fall, however, he suddenly reversed himself, threatened him twice with replacement in the Federal Assembly, and then also with the sudden scheduling of elections with an extremely short campaign race and a complete blockade in the main Serbian media, on Belgrade television. Perhaps in some really democratic state Milan Panic would have had some chance. The U.S. plan, so similar to many similar seizures of power in various Latin American countries in recent years, could even have worked if Milosevic had not completely blocked any democratic elections at the very start. He very skillfully portrayed Panic as a foreign agent, a traitor, and a "modern Brankovic." With the assistance of Panic's ministers who resigned, he also revealed what had been a secret until then: Panic's secret government of U.S. advisers.

People abroad hoped that the Sunday elections in Serbia would nevertheless change things, and they dreamed that Panic would perhaps win anyway and that it would be possible to remove Milosevic by means of election ballots. Even the new U.S. president, Bill Clinton, said two days before the Serbian elections that "it could all be settled" in the elections, and consequently he called upon Serbian voters to vote for Panic.

Obviously the planners of the "Panic operation" very naively underestimated Milosevic's political strength and his determination that he would not give up power by any means, even if he had to resort to deceptions in the elections or send the army and the police into the street. At the same time, they very naively overestimated the Belgrade opposition circles that Panic relied upon politically. They were convinced that those circles were politically stronger than they were. Those dreams have disappeared now, but that still does not mean that the more decisive measures that have already been agreed upon and even prepared will also follow. Monday's session of the EC Council of Ministers showed that they were still seriously wavering, and proposals could be heard once more that a "rapid and fundamental change in policy" should be demanded from Serbia and that a deadline should be set for it. They thus gave Milosevic an opportunity once again, and one should by no means doubt that he will try to exploit it, as he did when he took advantage of Panic.

Milosevic's Loyalists in Army Leadership

93BA0423C Ljubljana DELO in Slovene 23 Dec 92 p 10

[Article by Kresimir Meler and Mirjana Glusac: "New People for New Times"]

[Text] *After the elections that ended successfully for him, Milosevic can soon be expected to appoint the new army leadership that has actually been active ever since October.*

From our colleagues:

General Zivota Panic is still only formally chief of the General Staff of the Yugoslav Armed Forces [JOS], and Milan Panic, a U.S. citizen in the Balkans, is the Yugoslav defense minister. Actually, ever since the beginning of October military authority has been in the hands of the so-called supreme command collegium, i.e., a group of generals and colonels who are not working as part of the General Staff, but enjoy the unlimited trust of Slobodan Milosevic and his clique.

Disagreements occurred within the General Staff even earlier, but they only reached their culmination just before Kertes's "special forces" broke into the Federal Secretariat's building. At Andricev Venec in Belgrade, where Slobodan Milosevic's residence is located, KOS [counterintelligence service] chief Nedeljko Boskovic, chief of the Defense Industry Administration Maj. Gen. Milorad Dragojevic, and Air Force and Air Defense Commander Bozidar Stevanovic met at that time with Slobodan Milosevic and the new chief of the Serbian State Security Service, Mihalj Kertes. At that meeting Nedeljko Boskovic handed Milosevic a report saying that "the Security Administration has in its possession information according to which Dobrica Cosic and Milan Panic, with the support of General Staff chief Zivota Panic, are preparing a reorganization of the JOS intelligence service. If that happened, the implementation of planned tasks would be jeopardized, and the continued survival of the Serbian Krajinas in Croatia and Bosnia-Hercegovina would also be jeopardized. Furthermore, Mossad has provided terrible information about the activities of not only Milan but also Zivota Panic, who are reportedly directly involved in a conspiracy against Slobodan Milosevic, after which the anti-Serbian forces that are allying themselves with Muslim fundamentalists would come to power." Boskovic's report also said that "the Yugoslav prime minister, obviously in his own interest but also as the agent of one of the Western intelligence services, is a friend of several Arab citizens, and the latter are cooperating with banks and circles that support and finance the spread of Islam. His son-in-law Mohamed al-Saed is a joint owner of the BCCI [Bank of Credit and Commerce International] bank in the United Arab Emirates, and that bank, as it was stated, is financing arms supplies for the Muslims. Also involved are CIA, DIA (the Pentagon's intelligence service), and NSA, through which both the collapse of Yugoslavia and the nationalist-separatist movements in Slovenia, Croatia, and Macedonia were organized." They took their next step, in the desire to deprive Zivota and Milan Panic of authority, the day before the Serbian Supreme Court's decision that Milan Panic could still be a candidate for Serbian president. Nedeljko Boskovic, Bozidar Stevanovic, and First Army Gen. Vladimir Stojanovic then came to Zivota Panic to inform him of what the KOS had discovered about his activity and the prime minister's. As they explained to him, among other things, "he should be aware that support for Slobodan Milosevic was the only solution for the survival of Serbia and the Serbian Krajinas." As reliable and well-informed sources can state, Panic answered them that the JOS did not have any commander in chief but Dobrica Cosic and Defense Minister Milan Panic. If Gen. Panic thought then that he had thus solved the problem, he was sadly mistaken, since just a few hours later Boskovic and Stevanovic met at Topcider with Mihalj Kertes and Gen. Radovan Tanjga. They sent their president and commander in chief Milosevic a telegram informing him that "Milan Panic, Dobrica Cosic, Zivota Panic, and a group of generals under the leadership of Andrije Silic are directly responsible for the catastrophic situation in the Serbian republics, in the area of northeast Bosnia, and around Drnis. Our forces would have the entire area that we are citing, and also the region south of Cavtat, if it had not been for their treason. We have determined that both Panices are CIA agents and that they are closely cooperating with the Montenegrin opposition, and partly also with the ruling party, which could lead to closer ties between that state and Italy and to a dangerous strengthening of Montenegrin separatism, and also of the forces that are seeking union with Italy and a restoration of the Petrovic monarchy.

"For that reason, we demand that you limit the influence of Milan Panic, Dobrica Cosic, and Zivota Panic upon military and political activities." Milosevic answered immediately. Just a day later, he met at the headquarters of the Air Force and Air Defense with a group of generals that included Brig. Gen. Boso Ivanovic, 111st Army commander Brig. Gen. Miroslav Radmanovic, Maj. Gen. Milorad Dragojevic, and several other high-ranking officers who were not members of the General Staff. Nedeljko Boskovic informed those present about the above-mentioned information concerning the "hostile" activities of both Panices and Dobrica Cosic, and Milosevic therefore decided that "in the future all armed forces, including the armies of the Serbian republics, will be under the authority of the Serbian Defense Ministry, and they are consequently also obliged to cooperate with Serbian Territorial Defense." Milosevic's second decision was that "all former powers of the chief of the General Staff are to be assumed by former defense industry chief Maj. Gen. Milorad Dragojevic. Guard Gen. Vladimir Stojanovic is to become his deputy, while Nedeljko Boskovic will remain chief of the State Security Administration." Lieutenant Gen. Bozidar Stevanovic was appointed commander of the Air Force, and Colonel Branko Sovagovic was appointed his deputy. The First Corp (Novi Sad) of the Air Force and Air Defense was entrusted to Brig. Gen. Radomir Sekulic, the Second (Banja Luka) to Brig. Gen. Zivomir Ninkovic, and the 111st (Pristina) to Brig. Gen. Branislav Gasic. The Air Force and Air Defense intelligence service was taken over by former Hercegovina Corps commander Maj. Dimitrije Milutinovic, and the Air Force's counterintelligence service was taken over by Dobrasin Prascevic, who left the former Fifth Military Region for Slovenia and left there for Banja Luka, until he ended up in Belgrade. In addition to these generals, there was also a "shadow General Staff" that included Brig. Gen. Milan Gvero, Gen. Radovan Tanjga, Brig. Gen. Miroslav Radmanovic, and Brig. Gen. Boro Ivanovic. All of them had in common the fact that they were part of the JOS's pro-Cetnik faction, which ever since the beginning of the war had advocated the destruction of all civilian targets in Croatia and even a partition of the Slovene coast with Italy and the establishment of Serbian municipalities in Zagreb itself. This group was the main proponent of spreading the war to Kosovo and Macedonia and breaking up that former Yugoslav republic, and it is also advocating prevention of the secession of Montenegro from the FRY and a plan for "defense against the complete Islamicization of the state and the world." Of course, so that there would not be any international consequences, Milosevic and the generals agreed that "the positions will officially remain as they were on 16 October. The appointments will be officially announced after the 20 December elections, and as soon as there are favorable opportunities to do so." It is probably not necessary to emphasize in particular that some minor changes in the composition of the future General Staff also come into consideration.

Possibility of Military Intervention Analyzed

93BA0426E Belgrade POLITIKA in Serbo-Croatian 27 Dec 92 p 2

[Commentary by Miroslav Lazanski: "Military-Political Commentary: Where and How It Must Happen"]

[Text] The unison chorus of vilification of Serbs, Serbia, Serbs in the former B-H [Bosnia-Hercegovina], and Yugoslavia in the Western media is confirmation of the notion that the West has already achieved its first victory from the arsenal of low-intensity conflict. The daily speculation about whether there will be military intervention, and where, has become such a ordinary thing, a normal phenomenon, so to speak, that it seems that the outbreak of war would not come as much of a surprise to anyone.

Readily accepting this role of "victim," our media as well have adopted a defensive position of waiting for "what will happen and from whom it will come." In the context of a masochistic atmosphere, individual voices and stances to the effect that "we will defend ourselves if anyone attacks us" suddenly sound and look strange, more so to us in this country than to the foreign public.

But what is done is done, a multitude of conceptions and doctrines, various stereotypes, propagandistic "explanations," illusions of grandiose proportions, slander and the concealment of facts, all serving the ideology of the new world order, are proof of the militarism of modern international relations, but also of the unprecedented control and direction of the Western media. To enumerate all the examples would require a separate article, but if there really is foreign military intervention in the former B-H, then for the coffins draped in the Stars and Stripes, for the TV spectacle of officers in dress uniform solemnly informing mourning parents of their sons' deaths, for pictures of wounded being transferred by airplane to hospitals in NATO countries—for all this the public will potentially be able to thank its media.

Because if the Viennese newspaper DIE PRESSE asserts "that the military in what is left of Yugoslavia is weaker than the Partisans in the World War II, that it is very vulnerable, and that the Balkans are not a potential Vietnam," then there is nothing left for Austrian journalists to do but to come to this region and convince themselves of their assertions. They will not find any cappuccino in the former B-H, nor any gratis framed newspapers, but in the territory of Serbia there are still people who remember 1914.

But if we ignore the writings of the Austrian and Italian press and the appeal to war in B-H and against Yugoslavia, whereby the public in those countries seems to forget that every neighboring country that opens its airspace, land, and sea to transit by aggressor forces in a war against Yugoslavia will be treated as an aggressor and participant in the war, then the nonchalance of the U.S. media is amazing: They still have no answer to the question of why and how their "boys" could be 10,000 km away from the United States and why they should die there.

Notions such as "Islamic revolution," "rebellion," "guerrilla war," "popular war," "peasant's war," and "insurrection through Serb aggression" maintain the confusion that prevails in the U.S. media concerning the character of the conflict in the former B-H.

The United States has always believed that technology can solve problems, sometimes even human ones, but U.S. military experts emphasize that the war in the former B-H brings with it uncertainty with regard to escalation, effective cost, excessive dependency on modern weaponry. Technology is not a substitute for the application of positive principles of low-intensity conflicts, and even high-tech weapons do not work sometimes. The Bosnian terrain is ideal for confirming this theory.

Nevertheless, the Western threat should not be underestimated. U.S. pilots are very professional, but if there is intervention the war will have to come down to the ground. In that case, will the U.S. Marines come, the force that "fights wherever, whenever, and against whomever necessary"? "Peaceful, competent, and in a spirit of professional equanimity," in keeping with a simplified view of the world: "democrats" and those "who are against democracy, and who must be destroyed. Who will raise the U.S. flag in Pale, the U.S. Marines or possibly captured pilots? Indeed, would Pale be a new Iwo Jima?

If there is foreign military intervention in B-H, in order for it to be successful the West must first ensure strong supply lines. If Banja Luka airport is bombed, then Sarajevo airport will not be spared by the Serb artillery either. All that is necessary is to fire a couple of shells at the runway, and the transport planes with packages for UNPROFOR [United Nations Protection Force] will cease to land. Split airport is served by roads through uncertain terrain, and Dubrovnik airport is within the range of Serb artillery. Ground convoys would not be enough for the logistics of invasionary forces.

The attackers need a staging area in the vicinity of the region where fighting is going on. This area exists in Dalmatia, but it is a relatively narrow space. The attacker's ground units would have to be continuously receive air support, and that is not easy to achieve under winter conditions of fog and in a mountainous terrain.

The British would probably bring their "Harrier" aircraft, with vertical takeoff, to the territory of Croatia, which would compensate for the lack of good airfields in the combat zone. Its ground forces would be equipped with "Rapier" antiair defense missiles, and the elite forces would probably include members of the Welsh and Scottish guard, as well as Gurkhas. The British commando troop should not be underestimated, because 50 percent of its soldiers and 70 percent of its officers experienced the war against Iraq; they have the best equipment and weaponry, even electrically heated vests; they have undergone training in the most brutal climatic conditions in the world; they are experts in nighttime combat; and for all of this they are well-paid.

With the combination of U.S. air power, French and British ground forces, and the strategy of sudden attacks by helicopter assaults, an invasion of B-H under UN auspices could achieve the results expected by the West: destruction of the Serb air force in Banja Luka, the capture of certain strategic locations and areas. But what then? The Bosnian Serbs hold the psychological advantage. Who will control the territory of B-H? How long will Western troops have to stay there? How many of them are necessary to effectively watch over the locations and territory that they occupy? Is one Northern Ireland enough for London? And do U.S. national interests extend from the halls of Montezuma to the shores of Tripoli, Iwo Jima, and all the way to Pale?

Are Bosnia and the war there actually only a continuation of the creation and application of new, modern "Marines, who are physically fit, with shaved heads, chewing gum and, spitting occasionally, and look with disdain at everyone around them? And wage war "wherever, whenever, and against whomever necessary"?

Serbia

Parties Divided on Support for Karadzic

LD1301230493 Belgrade TANJUG in English 2156 GMT 13 Jan 93

["Pool" item]

[Text] Belgrade, Jan 13 (TANJUG)—The political parties in the Yugoslav Republic of Serbia are divided between total support and condemnation of the decision of Bosnian Serb leader Radovan Karadzic to tentatively accept the peace plan for Bosnia-Hercegovina, proposed by U.N. envoy Cyrus Vance and E.C. mediator Lord Owen at Geneva.

On Tuesday [12 January], Karadzic tentatively accepted the plan subject to approval by the parliament of the Bosnian Serb Republic, which should rule on the matter within seven days.

In a statement released on Wednesday, the opposition Serbian Renewal Movement upheld Karadzic, opining that his attitude "has thrown open the door to the hope that the war will end and lasting peace be restored in Bosnia-Hercegovina."

The statement was signed by the movement's leader Vuk Draskovic. The movement described the proposed map of a Bosnia-Hercegovina of ten provinces as unacceptable and said that, in the next round of talks, the Serbs would have to insist on a more equitable division of territory.

The leader of the rightist Serbian Radical Party, Vojislav Seselj, expressed reservations about Karadzic's acceptance of the plan after he had first rejected it. Seselj said that to ask the Bosnian Serb parliament to endorse Karadzic's volte-face was tantamount to asking it to "dissolve itself and abolish the Bosnian Serb Republic."

Seselj told a news conference in Belgrade that the Bosnian Serb side must be given guarantees that it would have a corridor in Northern Bosnia to link their republic with the Federal Republic of Yugoslavia, which was "a precondition for a successful outcome of the Geneva conference."

Democratic Party leader Dragoljub Micunovic said in a written statement that the participants in the Geneva talks had "taken the best option" and that the turnabout thus made had "somewhat eased fears and given heart to the forces working for peace."

Radoslav Stojanovic of the Democratic Party of Serbia said at a press conference he was satisfied with the results of the Geneva talks, which he said made it possible to hope that "peace will finally be restored, which will enable the Bosnian Serbs to negotiate their rightful position under international law."

Cedomir Mirkovic, who leads the Social Democratic Party, said that the Geneva plan was not the best one for either Bosnian Serbs or the other Bosnian nations, but it permitted a restoration of peace and created conditions for a phased political solution.

The Serbian Liberal Party views the plan as unacceptable because it does not give international personality to the provinces. The party's leader Nikola Milosevic said that this made the Bosnian Serb state no more than an illusion.

Milos Radulovic, president of the Chamber of Republics of the Yugoslav parliament, welcomed the turnabout at Geneva, and said he was convinced that it "averted the danger of the tragedy of war becoming greater."

Radulovic told TANJUG that the "international political factors were finally in a position to see that Serbia and Montenegro want peace and not its opposite in these lands, which some have tried to impute to them."

The Vice-President of the Serbian Parliament, Borivoje Petrovic, told TANJUG he was convinced that "everybody wants peace" and that "reason will prevail and the (Bosnian Serb parliament) deputies endorse the Geneva agreement."

Seselj Opposes Peace Plan

AU1301151393 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 13 Jan 93

[Text] Speaking at a news conference, Vojislav Seselj, chairman of the Serbian Radical Party, said that the aim of the Geneva conference should have been to end war activities. But,it has turned out that the main aim of the conference's organizers was to reach some political aims that are completely contrary to the interests of the Serbian people on the territory of the former Bosnia-Hercegovina, Seselj said. Here is a report by Vladimir Nikolic:

[Begin recording] [Nikolic] Vance and Owen advocate the constitution of a kind of state that has never existed anywhere in the past. On the other hand, if the division lines that they advocate are accepted, the Serbian people will be left without the corridor between Bosnian Krajina and Semberija which is a question of survival for the Serbs, Seselj said.

All plans for a peaceful solution to the political crisis which fail to proceed from the factual situation do not lead to peace, but to war, Seselj said, and added:

[Seselj] The failure to recognize the factual situation has led to the war, the civil war in Bosnia-Hercegovina. The factual situation created by the civil war is again not recognized. In our opinion, this failure to recognize the factual situation can only lead to new war activities and to a more intensive civil war, and not its calming down.

[Nikolic] It is demanded of the assembly of the Serbian republic that it recognize the abolition of its own state, something one cannot consider likely, because its existence represents a fact for us, Seselj said.

Replying to a journalist's question on how he interprets the differences in views about the Geneva documents between the delegations of the Federal Republic of Yugoslavia [FRY] and the Serbian republic, Seselj said that this is good and that the whole world should see that the policy of the Serbian republic is not being created in the FRY.

In the opinion of the Serbian Radical Party, our enemies are trying to prevent at any cost the consolidation and transformation of the Yugoslav Army. Our enemies' attacks also are aimed at preventing the activity of both civilian and military security services. The Serbian Radical Party is therefore of the opinion that energetic measures should be taken to suppress all forms of subversive activities and to carry out as soon as possible the transformation of the Yugoslav Army, Vojislav Seselj pointed out among other things. [end recording]

Deputy Speaker Supports Talks

LD1301202393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1712 GMT 13 Jan 93

[Text] Belgrade, 13 Jan (TANJUG)—Every effort leading to a peaceful resolution of the crisis ought to be supported, including the Geneva one, Serbian Assembly Deputy Speaker Borivoje Petrovic told TANJUG today.

I have always believed that this crucial moment for our people in Bosnia-Hercegovina will bear fruit, Petrovic said, adding that he is convinced that the Serbian people living outside the parent country will make the right and just decision. "I am convinced that everyone wants peace, that reason will prevail in the Assembly of the Serb Republic, and that deputies will support the Geneva agreement," Petrovic stressed. He said there are already too many black mourning robes, and it is unreasonable and incomprehensible that anyone would want a war.

The war has brought great anxiety, Petrovic said, adding that the proposed solution, which should be subject to further discussion, must be fair to all three nations in Bosnia-Hercegovina and that no nation must be harmed by it.

Petrovic made it clear that at this crucial moment there must be no divisions between the Serbs in Serbia and the Serbs outside it, and for this reason we should continue to provide humanitarian aid for the Serbs outside Serbia.

Elections To Be Repeated in Sandzak

LD1301204293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1651 GMT 13 Jan 93

[Text] Sjenica, 13 Jan (TANJUG)—The Sjenica [in Sandzak] municipal assembly revealed today that only seven out 49 seats in the municipal assembly have been filled. Due to the boycott [of the Serbian elections] by Muslim members of the Party of Democratic Action [SDA], the elections in that municipality failed. This is the only municipality in Serbia where elections have to be repeated. The municipal government will not be constituted before all deputies are elected. The municipal council, which was earlier elected with the help of the Serbian government, will prepare new elections within a year.

Patriarch Meets Vice President of Bosnian Serbs

LD1301174493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1442 GMT 13 Jan 93

[Text] Belgrade, 13 Jan (TANJUG)—Serbian Patriarch Pavle today received Nikola Koljevic, vice president of the Serbian Republic, in his office in Belgrade.

Following their 90-minute talk behind "closed doors," Koljevic said: "His holiness received us on our initiative and we talked about the possibilities of establishing peace in Bosnia-Hercegovina. Our delegation in Geneva contributed significantly to this.

"We have discussed the forms of cooperation between various parts of the Serbian people and the possibility of bringing them together. The patriarch told us that we should be united," Koljevic said.

Belgrade Economy Performed Better Than Expected

LD1301184393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1100 GMT 13 Jan 93

[Excerpts] Belgrade, 13 Jan (TANJUG)—There are many uncertainties and unknowns in the new business year, Belgrade Chamber of Economy Chairman Branislav Vujinovic told TANJUG. [passage omitted]

Assessing events in 1992, Vujinovic said that the Belgrade economy fared better than was forecasted in June 1992, when the sanctions had been introduced. It has managed to preserve vital industrial systems, albeit with great efforts and sacrifices. Naturally, in 1992 production fell by 17 percent and personal incomes by over 50 percent in real terms, while unemployment rose. It is however positive that even under the conditions of blockade, many large companies did not forget their development, although they have very modest funds for this purpose. For instance, the Zmaj factory introduced scores of new improvements for its combine harvester, and the IMT motor industry and others have done the same. [passage omitted]

Vujinovic mentioned a typical Belgrade problem: how to continue building a subway system. He said that the ventilation system, the signaling system and equipment were the most expensive elements of this project. He added that all these could be bought in the CIS under very favorable conditions, and the cost of a possible purchase could be largely offset against the CIS debt in foreign currency to Yugoslavia. Belgrade export trading companies are already working on this. [passage omitted]

Assembly Vice President Receives Russian Deputies

LD1201194893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1304 GMT 12 Jan 93

[Text] Belgrade, 12 Jan (TANJUG)—Serbian Assembly Vice President Borivoje Petrovic today received a delegation of members of the Russian parliament headed by Vladimir Fedorovich Bryukhovskiy, a deputy in the Russian Supreme Soviet.

Petrovic and the Russian parliament members spent most time discussing the crisis in the area of the former Yugoslavia, the war in Bosnia-Hercegovina, and the sanctions against Serbia.

Serbia is not at war, yet sanctions have been imposed on it, and this has had serious consequences on our economy, Petrovic stressed. Many firms have closed due to the shortage of raw material and fuel, and employees have been forced to take leave. Difficulties with oil supplies for heating are also a big problem. Despite this, the Serbian nation and its leadership will struggle to spread the truth about the situation in the territory of the former Yugoslavia and about the causes of the crisis which led to the war, as well as about the lifting of the blockade.

According to Petrovic, Serbia is taking care of parts of the Serbian nation in Bosnia-Hercegovina and Croatia, and is giving it financial support.

Petrovic briefed the members of the Russian parliament about the two years of work of the first postwar multiparty assembly in Serbia and the imminent formation of the new one.

The Russian parliament members asked their host to prepare detailed documented reports on the war in Bosnia-Hercegovina, in order to make available to the Russian parliament and the Russian Supreme Soviet the truth about its causes and consequences.

Irregularities in Election Procedures Cited

93BA0426D Belgrade NEDELJNA BORBA in Serbo-Croatian 26-27 Dec 92 p 6

[Article by V.O. Ilic: "Two Views of Postelection Procedure: Annulment on All Levels"]

[Text] Belgrade—*Most of the responsibility for the irregularity of the elections lies with the Republican Election Commission, especially since it did not announce the results within the prescribed time, while it is especially ridiculous that the chairman of that commission is also the presiding judge on the Supreme Court of Serbia, which rules on appeals of its decisions, which discredits any tendency to call this state a rule-of-law state.*

Concerning the ongoing objections and already evident omissions in the legal procedure, but also the violation of *the tenor of the laws, this is what Stevan Lilic, a professor at the School of Law in Belgrade, had to say to BORBA:*

"According to the Law on Election of People's Deputies, which is applied by analogy to the Law on the President of the Republic, and according to the Law on Election of Federal Deputies to the Chamber of Citizens of the FRY [Federal Republic of Yugoslavia] Assembly, the bodies responsible for elections are the election commissions of the republics and of the electoral districts, of which, as we know, there are nine in Serbia. Their job," Dr. Lilic explains, "is to see to the legal execution of the elections in accordance with their official duties, and not only in the case of objections. This means that the election commissions must consider violations of the law 'on their own.' In contrast, through their illegal and irregular action, decision, or omission, questions are raised about the regularity of the elections, the consequence of which is their annulment.

"When the number of ballots is less (or more) than the number of voters, then this is a basic violation, something that should be considered not only by the members of the voters committee, but also by the Election Commission, and [words indistinct]—annulment of the elections."

In the opinion of Dr. Stevan Lilic, the Republican Election Commission engaged in illegal activities when it ordered, by fax, that election materials be delivered to opstina election commissions and not, as they should have been, to the election commissions of the electoral districts. The Republican Election Commission, Dr. Lilic explains, is obligated only to execute the prescribed procedure, not to stipulate it.

"There are so many irregularities that it would be hard for the elections to be regular," says Zoran Stojnesic, a lawyer and member of the Republican Election Commission for DEPOS [Democratic Movement of Serbia]. "Starting with the fact that the opstina election commissions worked on the materials, which they were not authorized to do. Only in Belgrade was this done by the Republican Election Commission, because the results apparently suited no one due to the 'additions to voter registration lists' (in addition, all that was tallied were the results from the opstina election commissions, which means that they were done by unauthorized bodies). However, the materials for election of the president went straight to Belgrade, while only the materials for the deputies went through the opstinas. If the records indicate that there is something wrong with the voter registration lists, how does one interpret the fact that the irregularity relates only to deputies, and not to the president as well? Thus, instead of annulling the elections on all levels, that is being done only in one segment. For this reason, proceeding according to the law, we will demand that they be annulled on all levels, in a large number of places."

Forced Furloughs at Serbian Radio, TV

93BA0432B Belgrade VREME in Serbo-Croatian 28 Dec 92 p 31

[Article by D. J. V.: "Forced Furloughs"]

[Text] *Why Vucelic decided on that step right now is a very interesting question, especially since the new government can be expected to appoint a new board of directors and a new leadership for RTS [Serbian Radio-Television].*

What has already been discussed for some time at 10 Takovska was announced last Thursday. Some of the employees will be sent on forced annual leave. The leadership has "magnanimously" offered to let the employees apply themselves, but as far as the writer of these lines is aware, no one has accepted the offer, even though unlimited leave at two-thirds salary has been offered. Since the employees did not show any sympathy, a series of meetings started, at which lists for sending people on forced furloughs will be compiled. Those responsible for this job are the heads of the business units, who had to send General Director Vucelic the above-mentioned lists by the weekend.

In any case, many employees at Belgrade Radio-Television [RTB] will have very uneasy days off. It is quite possible that the uncertainty will even last a day or so longer, primarily because the criterion for deciding who will be furloughed and who will not is unknown. In that respect, "disobedient" journalists and members of the independent trade union, and those whom the leadership does not consider suitable, have the most reason for concern. That conclusion is suggested by the leadership's behavior during the last assignment of employees. At that time the suitable and obedient ones were lavishly rewarded with increased pay and responsibilities. The disobedient and unsuitable ones, i.e., those journalists and program creators who pointed out the danger of RTB's editorial and personnel policy, were demoted, assigned to other editorial offices, or expelled from the programs, and their pay was cut to the minimum.

Criteria

The second phase of the personnel "catharsis" should thus be expected to start at 10 Takovska. That probably means that the leadership, by sending the unsuitable people on forced annual leave, will freeze their status until such time as a technological surplus list is compiled. Then it will be very easy to prove that "work is going on" without them, and that they are really surplus.

To make the paradox even greater, the leadership's explanation that RTS is in a difficult financial situation "holds water." It has been hard to pay salaries for months now. The money has mostly been procured through loans from the National Bank of Serbia or commercial banks. Next, it is also true that Radio-Television has more employees than necessary. In spite of that, after the transformation into a public enterprise and the personnel coup in August of last year, more than 150 people were hired at the Belgrade editorial office and service alone.

With the hiring of those people, the blood picture has changed for the editorial offices, especially the news offices. By means of those people and a large number of honorary contributors, the leadership has fully carried out its intention of having the small screen and the radio loudspeaker become sources of patriotism according to the authorities' standards. Obviously someone thought that the post-election days were the right time to settle scores with the disobedient, probably guided by the logic that while dealing with the election results it would be hard for the public's attention to be directed toward the personnel purge at Radio-Television. After all, in a situation in which many factories and enterprises are closing their gates and sending workers on forced furloughs, why should RTS employees be privileged, someone will say. Admittedly, I doubt that the model from the economy, in which the employees on forced furloughs come back to work after a certain period, for instance a month, and those who were working go on leave, will be applied in this case. From all indications, this is leave with no return. For some time allowances will be granted.

Trust

It is hard to believe that anyone will succeed in preventing the RTS leadership from doing what it has planned. That is indicated by both the unsuccessful strike and the union divisions among the employees. The independent trade union is not strong enough to set the firm on its feet, and the state one sides with the leadership, so it can be expected that on this occasion as well there will be union support for the administration's steps.

There is also something else. Why Vucelic decided on that step right now is a very interesting question, especially since the new government can be expected to appoint a new board of directors and probably a new leadership for RTS. It would be logical for such a significant step as sending people on forced furloughs to be taken with the approval of the new board of directors, especially since the old one has already been working with a truncated membership for a long time. Perhaps general director Vucelic has been told that he will stay where he is, and this freed his hands for the RTS purge. From the standpoint of the current authorities, but also the winners of the Milosevic-Seselj coalition, he deserved it. At the same time, this means that RTS will remain the unaltered "source of patriotism" that is so necessary in a situation in which we are surrounded by "worldwide enemies who are furthermore still threatening us." In that scheme, of course, there is no room for those who think differently, and who understand the words "patriotism" and "profession" differently.

Macedonia

Foreign Minister Holds Talks on UN Application

LD1401021593 Skopje Radio Macedonia Network in Macedonian 2100 GMT 13 Jan 93

[Text] A delegation from the Macedonian Foreign Ministry headed by Foreign Minister Denko Maleski today continued its intensive diplomatic activities at UN headquarters in New York in connection with the application of our republic for UN membership.

Maleski had talks today with UN Security Council Chairman Yoshio Hatano, and also met ambassadors from New Zealand and Hungary. Maleski is expected to have talks today with ambassadors from Venezuela, Spain, and Denmark.

Yesterday, Maleski exchanged views with the ambassadors of France, China, and Slovenia, where he again explained the position of our republic and an initiative for wide international recognition.

Local Serbs To Hold Protest Rally 15 January

AU1301165093 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 13 Jan 93

[Text] A meeting of Serbs from the village of Kuceviste, near Skopje, and the surrounding places will be held in that village in the afternoon on 15 January in protest to the well-known action by the Macedonian regular and special police on New Year's Eve [when the Macedonian police allegedly beat up a group of Serb youths for having pictures of Serbian President Milosevic displayed at a new year's party]. Representatives of the Macedonian Government and police and the representatives of the CSCE and UNPROFOR [UN Protection Forces] in Macedonia were also invited to this meeting.

Mazowiecki Talks With Government Officials

LD1401042093 Skopje Radio Macedonia Network in Macedonian 2100 GMT 13 Jan 93

[Text] Macedonian Assembly President Stojan Andov today received the special envoy of the UN Human Rights Commission, who has been paying a several-day working visit to the Republic of Macedonia.

President Andov spoke about constructive parliamentary activity aimed at adopting necessary state-building documents that express the centuries-long aspiration of the Macedonian people for their sovereign and independent state. Andov also dwelt on efforts for maintaining peaceful coexistence through which solutions for all issues and problems will be achieved in a democratic and institutional way.

[UN envoy] Mazowiecki was also received by Macedonian Prime Minister Branko Crvenkovski, Internal Affairs Minister Ljubomir Frckovski, and Iljaz Sabriu, minister for labor and social policy.

Mazowiecki was informed about the problems and developments in interethnic relations and about moves toward democracy made in the republic over the past two years. Mazowiecki also paid a visit to Macedonian radio and television, where he was briefed on the ways of making programs and the air time of programs in languages of ethnic minorities.

Montenegro

Bulatovic Views Geneva Conference Results

LD1301213993 Belgrade TANJUG in English 2022 GMT 13 Jan 93

["Pool" item]

[Text] Podgorica, Jan 13 (TANJUG)—The delegation of the Federal Republic of Yugoslavia (F.R.Y.) to Geneva talks on Bosnia-Hercegovina had the support, cooperation and understanding of the Bosnian Serb delegation, Montenegrin President Momir Bulatovic said at a press briefing on Wednesday [13 January].

Montenegro, together with Serbia, forms the F.R.Y.

Bulatovic told the assembled reporters that the delegation, which comprised F.R.Y. President Dobrica Cosic, Serbian President Slobodan Milosevic and Bulatovic himself, had worked towards speeding along a stabilization of the situation in the war-ravaged former Yugoslav Republic of Bosnia-Hercegovina.

He said the delegation had on Tuesday taken the position that the proposed principles of Bosnia-Hercegovina's future constitutional organization were acceptable in the belief that they guaranteed equality to all of Bosnia-Hercegovina's three nations—Muslims, Serbs and Croats.

He explained that the proposed principles were a guarantee that no nation would be in a position to dictate to the others, because all decisions in the new state would be made by consensus.

As opposed to the stand of the Yugoslav delegation, Bosnian Serb leader Radovan Karadzic tentatively accepted the proposal only after consultation with the Yugoslav delegation, on condition that the parliament of the Bosnian Serb Republic should endorse it. Karadzic said parliament would rule on the matter within seven days.

Bulatovic said he and Milosevic had received assurances from the cochairmen of the conference on former Yugoslavia, Cyrus Vance and Lord Owen, during their consultations on Monday, that the acceptance of the proposal was the necessary compromise which would not be to the detriment of any of the three nations.

In the context of talks the Yugoslav delegation had with the President of the Former Yugoslav Republic of Croatia, Franjo Tudjman, Bulatovic said they had been positive and had demonstrated a change in Croatia's attitude, which made it possible to hold dialogue in a climate of greater normalcy and rationality.

Montenegro Metropolitan Issues Communique

93BA0441E Belgrade POLITIKA in Serbo-Croatian 18 Dec 92 p 9

[Communique from the Montenegro-Coastal Diocese: "The Church Has Never Been in the Service of Party Interests"]

[Text] Podgorica, 17 Dec (TANJUG)—The Montenegro-Coastal Diocese asked all political parties today not to threaten the church's historical right of organizing and regulating its internal and external life and mission, in accordance with its age-old traditions and order, which is older than all existing states, systems, and parties.

The church, comprehensive and above all parties, has always been and has remained in the service of the people as a whole, and has never been in the service of individual or party interests, the Montenegro-Coastal Diocese, which is headquartered in Cetinje, stated in a communique for the public. As it is a patriotic but not a party organization, it added, it does not serve parochial interests, but is instead here so that through it "all people can be saved and come to know the truth."

Kosovo

Albanian Leader Protests Change of School Name

LD1301171493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1430 GMT 13 Jan 93

[Text] Pristina, 13 Jan (TANJUG)—Milaim Kadriu, chairman of the Albanian National Party of Kosovo [ALNSK], said the removal of a bust of Hasan Pristina and the renaming of the Hasan Pristina school into Dositej Obradovic school, is akin to "the assassination of Albanian Vuk [Karadzic—19th century reformer of the Serbian language]."

"Hasan Pristina is as important for Albanians as Vuk Karadzic is for Serbs," Kadriu told a news conference. He added: "With this action, the Serbian side is causing fresh conflicts in Kosovo."

Kadriu said he has "asked the Kosovo president and prime minister, Ibrahim Rugova and Bujar Bukosi, to influence the UN secretary general to place blue helmets on the border between the Serbian and Kosovo states soon."

DSK Views Elections as Serbia's Political Defeat

93BA0426C Belgrade NEDELJNA BORBA in Serbo-Croatian 26-27 Dec 92 p 5

[Article by R Burjaktarovic: "Democratic Alliance of Kosovo: Yet Another Political Defeat for Serbia"]

[Text] *The elections in Serbia and Montenegro and their outcome confirm our assessments and predictions. The Milosevic-Seselj group is the exponent and agent of all the stunning results of the recent Serbian policy. The opposition made the same mistakes as in the previous elections, accepting the conditions dictated by the ruling party, said Dr. Fehmi Agani at yesterday's DSK [Democratic Alliance of Kosovo] press conference.*

As far as the elections in Kosovo are concerned, Agani said that "if they were held and if the figures presented are accurate," then this is "even further proof of the complete political defeat of Serbia in Kosovo." According to Agani, the elected deputies cannot be legitimate because "the Albanians, and with them the Muslims and Turks, rejected these elections as elections that can have no bearing on Kosovo. Through them, it is even less possible to challenge the results of the legal Albanian elections held in Kosovo earlier."

Agani also stated that in the Serbian elections "there was large-scale manipulation, because in a large number of ballot boxes there were more votes for the SPS [Socialist Party of Serbia] and the radicals than there were voters."

"Even after these elections, the only thing that can be said of Kosovo is that it is subject to a usurping, illegitimate, and occupying authority," Agani said. The opinion in the Democratic Alliance of Kosovo is that Panic and opposition did not stand a chance even if all the Albanians had turned out for the elections and voted, because the "manipulation by the socialists and radicals would have been even greater."

"Our votes would not have been of major significance. Because Milosevic prepared the voting machinery like a factory in Topcider, so that however many votes were needed were produced for one party or another. Thus, those who lost should not be complaining that our participation would have helped substantially. As far as we are concerned, we are peaceful just as we were before the elections as well," Agani added. Still, the Democratic Alliance of Kosovo believes that "the situation will most likely grow worse both in Kosovo and in Serbia and Yugoslavia after these elections."

Agani called the sudden "breakthrough" of the radicals onto the Serbian and Yugoslav political scene "the most obvious expression of the deviant state of mind in the Serbian nation." Concerning Albanian participation in the elections in Presevo and Montenegro, Agani said that this was done after consultation with and with the approval of the Democratic Alliance of Kosovo, although the Democratic Alliance of Albanians in Montenegro "is not a branch of the DSK."

There was plenty of commentary in the Democratic Alliance of Kosovo about the candidacy and election of Arkan as deputy in the Serbian parliament. "That too is one of the biggest discredits to Serbian policy, and also a type of provocation in Kosovo."

"But our preoccupation was not Arkan, nor is it that now. The problem is the criminal policy toward Kosovo. Because if a tragedy occurs, then this nation cannot be helped by Arkan or anyone else," Agani said.